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As filed with the Securities and Exchange Commission on April 13, 2011

Registration No. 333-172007

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, DC 20549

AMENDMENT NO. 3

TO

FORM S-1

**REGISTRATION STATEMENT
UNDER THE
SECURITIES ACT OF 1933**

THERMON GROUP HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**3629** (Primary Standard Industrial Classification Code Number)	**27-2228185** (IRS Employer Identification Number)

100 Thermon Drive, San Marcos, Texas 78666, (512) 396-5801
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Rodney Bingham
President and Chief Executive Officer
Thermon Group Holdings, Inc.
100 Thermon Drive
San Marcos, Texas 78666
(512) 396-5801
(Name, address, including zip code, and telephone number, including area code, of agent for service)

---

with copies to:

Robert L. Verigan **Michael P. Heinz** **Sidley Austin LLP** **One South Dearborn Street** **Chicago, Illinois 60603** **(312) 853-7000**	**Colin J. Diamond** **Jin K. Kim** **White & Case LLP** **1155 Avenue of the Americas** **New York, New York 10036** **(212) 819-8200**

Approximate date of commencement of proposed sale of the securities to the public:
As soon as practicable after this registration statement becomes effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ☐

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering: ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐	Accelerated filer ☐	Non-accelerated filer ☒ (Do not check if a smaller reporting company)	Smaller reporting company ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered(1)	Proposed Maximum Offering Price per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common Stock, $0.001 par value per share	11,500,000	$14.00	$161,000,000	$18,693

(1) Includes 1,500,000 shares of common stock that may be purchased by the underwriters to cover over-allotments, if any.

(2) Estimated solely for the purpose of computing the registration fee pursuant to Rule 457(a) under the Securities Act.

(3) Calculated pursuant to Rule 457(a) based on an estimate of the proposed maximum aggregate offering price. Registration fees of $16,689, $668 and $1,336 were paid previously on January 28, 2011, April 6, 2011 and April 8, 2011, respectively, pursuant to Rule 457(o) based on an estimate of the proposed maximum aggregate offering price.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission acting pursuant to said Section 8(a), may determine.

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The information in this preliminary prospectus is not complete and may be changed. We and the selling stockholders may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell these securities and neither we nor the selling stockholders are soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, dated April 13, 2011

PROSPECTUS

10,000,000 Shares

Thermon Group Holdings, Inc.

Common Stock

This is the initial public offering of the common stock of Thermon Group Holdings, Inc. We are offering 4,000,000 shares of the common stock and the selling stockholders identified in this prospectus are offering 6,000,000 shares. We will not receive any proceeds from sale of shares held by the selling stockholders. No public market currently exists for our common stock.

Our common stock has been approved for listing on the New York Stock Exchange under the symbol "THR."

We anticipate that the initial public offering price will be between $12.00 and $14.00 per share.

Investing in our common stock involves risks. See "Risk Factors" beginning on page 17 of this prospectus.

	Per Share	Total
Price to the public	$	$
Underwriting discounts and commissions	$	$
Proceeds to us (before expenses)	$	$
Proceeds to the selling stockholders (before expenses)	$	$

We and certain of the selling stockholders have granted the underwriters the option to purchase up to 1,500,000 additional shares of common stock on the same terms and conditions as set forth above if the underwriters sell more than 10,000,000 shares of common stock in this offering.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed on the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the shares on or about , 2011.

Barclays Capital **Jefferies**

William Blair & Company **BMO Capital Markets** **KeyBanc Capital Markets**

Prospectus dated , 2011

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The Heat Tracing Specialists

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You should rely only on information contained in this prospectus, any amendment or supplement to this prospectus or any free writing prospectus prepared by or on behalf of us, or to which we have referred you. Neither we nor any of the selling stockholders has authorized anyone to provide you with information that is different. If anyone provides you with different or inconsistent information, you should not rely on it. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any of the shares of common stock offered hereby by any person in any jurisdiction in which it is unlawful for such person to make such an offering or solicitation. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of the common stock.

Unless otherwise indicated, all information contained in this prospectus concerning the industry in general, including information regarding our market position and market share within our industry and expectations regarding future growth of sales in our industry, is based on management's estimates using internal data, data from industry related publications, consumer research and marketing studies and other externally obtained data. Industry and market data involve risks and uncertainties and are subject to change based on various factors, including those discussed under the caption "Risk Factors" in this prospectus.

Through and including , 2011 (the 25th day after the date of this prospectus), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This requirement is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PROSPECTUS SUMMARY

The following summary highlights selected information contained in this prospectus and may not contain all the information that may be important to you. You should read this entire prospectus, including the section entitled "Risk Factors," before making an investment decision. Unless otherwise specified or the context otherwise requires, references to "$" or "dollars" in this prospectus are to United States dollars, and the terms "we," "our," "us" and the "Company," as used in this prospectus, refer to Thermon Group Holdings, Inc. and its directly and indirectly owned subsidiaries as a combined entity.

Our Business

We are one of the largest providers of highly engineered thermal solutions for process industries. For over 50 years, we have served a diverse base of thousands of customers around the world in attractive and growing markets, including energy, chemical processing and power generation. We are a global leader and one of the few thermal solutions providers with a global footprint and a full suite of products (heating cables, tubing bundles and control systems) and services (design optimization, engineering, installation and maintenance services) required to deliver comprehensive solutions to complex projects. We serve our customers locally through a global network of sales and service professionals and distributors in more than 30 countries and through our four manufacturing facilities on three continents. These capabilities and longstanding relationships with some of the largest multinational energy, chemical processing, power and engineering, procurement and construction, or EPC, companies in the world have enabled us to diversify our revenue streams and opportunistically access high growth markets worldwide.

Our thermal solutions, also referred to as heat tracing, provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature and flow maintenance and environmental monitoring. Customers typically purchase our products when constructing a new facility, which we refer to as Greenfield projects, or when performing maintenance, repair and operations on a facility's existing heat-traced pipes or upgrading or expanding a current facility, which we refer to collectively as MRO/UE. Our products are low in cost relative to the total cost of a typical processing facility, but critical to the safe and profitable operation of the facility.

Our customers' need for MRO/UE solutions provides us with an attractive recurring revenue stream. Customers typically use the incumbent heat tracing provider for MRO/UE projects to avoid complications and compatibility problems associated with switching providers. We typically begin to realize meaningful MRO/UE revenue from new Greenfield installations one to three years after completion of the project as customers begin to remove and replace our products during routine and preventative maintenance on in-line mechanical equipment, such as pipes and valves. As a result, our growth has been driven by new facility construction, as well as by servicing our continually growing base of solutions installed around the world, which we refer to as our installed base.

Our revenues have grown in 17 of the past 21 fiscal years, and our gross margins have averaged 44% over that period. In addition, we have generated significant growth in both revenue and profitability in recent years. Our revenue grew by 59% to $192.7 million for fiscal 2010 from $121.4 million for fiscal 2007, and gross profit grew by 65% to $91.3 million from $55.3 million over the same period. For the nine months ended December 31, 2010, we achieved revenue of $179.0 million, gross profit of $73.7 million, a net loss of $11.2 million and Adjusted EBITDA of $43.8 million and 71% of our revenues were generated outside of the United States. See note 9 to the "—Summary Historical and Pro Forma Consolidated Financial and Operating Data" table.

Our Industry

Alvarez & Marsal Private Equity Performance Improvement Group, LLC, or A&M, estimates that the market for industrial electric heat tracing is approximately $1 billion in annual revenues and estimates that it is growing its share of the overall heat tracing market as end users appear to continue to favor electric heat tracing solutions over steam heat tracing solutions for new installations. When revenues for steam heat tracing parts are included, A&M estimates the overall addressable market for heat tracing is approximately $2 billion in annual revenues. The industrial electric heat tracing industry is fragmented and consists of approximately 40 companies that typically only serve discrete local markets with manufactured products and provide a limited service offering. Large multinational companies drive the majority of spending for the types of major industrial facilities that require heat tracing, and we believe that they prefer providers who have a global footprint and a comprehensive suite of products and services.

The major end markets that drive demand for heat tracing include energy, petrochemical and power generation. We believe that there are attractive near- to medium-term trends in each of these end markets.

- ***Energy.*** Heat tracing is used to facilitate the processing, transportation and freeze protection of energy products in both upstream and downstream oil and gas applications. In order to meet growing demand and offset natural declines in existing oil and gas production, a significant increase in capital expenditures in upstream infrastructure will be required, with a particular focus on reservoirs that are in harsher climates, are deeper or have other complex characteristics that magnify the need for heat tracing. According to Wood Mackenzie, a leading independent energy research and consulting firm, as of October 2010, global upstream development expenditures are expected to increase 11% to approximately $420 billion in 2013 from approximately $380 billion in 2010. An increase in upstream production coupled with increased demand for refined products will require a corresponding increase in downstream refining capacity.

- ***Chemical Processing.*** Heat tracing is required for temperature maintenance and freeze protection in a variety of chemical processing applications. Factors that may impact heat tracing demand in chemicals end markets include the rapid industrialization of the developing world, a shift in base chemical processing operations to low-cost feedstock regions, a transition of Western chemical processing activities from commodity products to specialty products and environmental compliance. According to the American Institute of Chemical Engineers, global capital spending by the chemical processing industry is estimated to increase to $418.4 billion, representing a compound annual growth rate of 11.1% from 2010 to 2015.

- ***Power Generation.*** Heat tracing is required in high-temperature processes, freeze protection and environmental regulation compliance in coal and gas facilities and for safety injection systems in nuclear facilities. An important driver of demand for heat tracing solutions for power generation is increasing demand for electricity worldwide. According to the EIA, global net electricity generation is projected to increase 87% between 2007 and 2035. We believe capital spending on new and existing power generation infrastructure will be required to meet this demand.

- ***Continuing selection of electric-based heat tracing solutions over steam-based solutions.*** Beginning in the 1960s, electric heat tracing products entered the market as an alternative to steam heat tracing products. While steam-based products are still used today for heavy oil, chemical and processing applications, electric-based products generally offer greater cost savings and operating efficiencies. As a consequence, Greenfield projects commissioned in recent years are increasingly designed to incorporate electric heat tracing.

Our Competitive Strengths

We believe that the following strengths differentiate us from our competitors:

We have access to attractive high growth sectors of our global addressable market. We have a network of sales and service professionals and distributors in more than 30 countries and a manufacturing footprint that includes four facilities on three continents. This footprint allows us to diversify our revenue streams and opportunistically access the most attractive regions and sub-sectors of our markets. For example, growing demand for energy is pushing the search for resources to increasingly harsh cold weather countries, including Canada and Russia, where demand for our products is magnified, and strong petrochemical demand in China and India has led to a shift in chemical production to the Asia-Pacific region. We have a strong, established local presence in each of these markets.

We are a global market leader. We believe that we are the second largest industrial electric heat tracing company in the world, significantly larger than our next largest competitor and one of only a few solutions providers with a comprehensive suite of products and services, global capabilities and local on-site presence. Over our 56-year history, we have developed an installed base operated by thousands of customers and long-standing relationships with some of the largest companies in the world that drive the spending decisions for the major facilities that require our products. We believe these multinational companies prefer providers with our scale, global presence and comprehensive product and service offering.

Our highly engineered solutions are "mission critical" to our customers. Reliable thermal solutions are critical to the safe and profitable operation of our customers' facilities. These facilities are often complex, with numerous classified areas that are inherently hazardous and where product safety concerns are paramount. Therefore, we believe that our customers consider safety, reliability and customer service to be the most important purchase criteria for our products. We are a leader in the national and international standards setting process for the heat tracing industry and hold leadership positions on numerous industry standards development organizations.

Our favorable business model positions us to achieve attractive financial results. The following features of our business model contribute to our attractive financial results:

- ***Existing installed base generates significant recurring revenue.*** On average, annual MRO/UE expenditures generated from an installed heat tracing system are approximately 5 to 10% of the initial cost of the system and expansions may require approximately 10 to 20% of the initial cost of the system. We estimate that approximately 60% of our revenues in fiscal 2010 were generated from MRO/UE sales. We believe that we have the second largest installed base in the industrial electric heat tracing industry and, as we continue to complete new Greenfield installations, we believe that, subject to customers' continuing capital and maintenance expenditures, our growing global installed base of heat tracing solutions will drive increased MRO/UE business.

- ***Diversified, global customer base and end markets.*** Over the past five decades, we have sold our solutions to thousands of customers in more than 90 countries, serving a broad range of end-market applications. The diversity of our customer base and end-markets limits our exposure to any individual industry sector or geographic region and provides us with an opportunity to access the most attractive high growth sectors of our end markets.

- ***Strong revenue visibility.*** We believe that we have strong visibility into our future revenue as a result of recurring demand that we expect will be generated from our global installed base, a growing backlog of signed purchase orders and a robust pipeline of planned projects. Our visibility into the timing of our recognition of revenue out of backlog is not always certain, particularly with larger projects; however, our solutions are ordered and installed toward the end

of Greenfield project construction, and therefore, historically, purchase orders have rarely been cancelled.

- ***Consistent gross margins and cash flow generation.*** We have a long history of stable gross margins and positive operating cash flow through a variety of economic cycles. We have consistently had positive income from operations, and gross margins have averaged 44% over the past 21 fiscal years, which we believe reflect our customers' recognition of the value and reliability of our heat tracing solutions, our highly variable cost structure and the limited capital expenditures required to maintain our business.

Our management team has a proven track record. Our senior management team averages approximately 22 years of experience with us and is responsible for growing Thermon through a variety of business cycles, building our global platform and developing our reputation for quality and reliability in the heat tracing industry. Our senior management and key employees will continue to have a significant equity stake in Thermon following this offering.

Our Growth Strategy

Our business strategy is designed to capitalize on our competitive strengths. Key elements of our strategy include:

Capitalize on our leading market position to continue pursuing organic growth opportunities. Our primary growth engine has traditionally been organic expansion. We will continue to focus on strategically building the necessary global sales infrastructure to expand our footprint in high growth markets. We believe that this footprint and our local presence are attractive to our customers and differentiate us from other industry participants. We expect to continue to pursue growth opportunities in emerging markets and across industry sectors in the future.

Leverage our installed base to expand our recurring revenue stream. Once the MRO/UE cycle begins, we typically realize MRO/UE revenues, which are typically higher margin than Greenfield revenues, over the life of each installation. As we continue to grow our large, global installed base with new Greenfield projects, we expect to generate incremental MRO/UE revenues related to these new projects. Since the beginning of fiscal 2008 through December 31, 2010, we estimate that we have realized approximately $290 million in revenues from Greenfield projects, which represents a meaningful opportunity for us to create MRO/UE revenues in the future.

Drive growth through alliances with major customers and suppliers. We have developed strategic alliances with other industry participants in order to enhance our growth opportunities, and we are a "pre-qualified" heat tracing provider for several of our key customers. These relationships provide us with an advantage in identifying and bidding for new Greenfield and MRO/UE projects, and we intend to target additional opportunities with suppliers of complementary products that will allow us to take mutual advantage of our customer relationships and enhance our cross-selling opportunities.

Continue to offer solutions that support evolving environmental applications. A portion of our recent growth has been driven by the use of our products in alternative energy initiatives, including carbon capture, thermal solar and coal gasification facilities. In addition, our products help our customers monitor their facilities' environmental or other regulatory compliance. We intend to continue to focus on driving growth by providing solutions that address our customers' evolving environmental application needs.

Selectively pursue investment opportunities.

- Given the fragmented nature of the heat tracing industry, we believe that there will be opportunities to pursue value-added acquisitions at attractive valuations in the future, including

by augmenting our geographic footprint, broadening our product offerings, expanding our technological capabilities and capitalizing on potential operating synergies.

- We plan to pursue strategic investment opportunities, including the expansion of our principal manufacturing facility in San Marcos, Texas.

Risk Factors

There are a number of risks related to our business, this offering and our common stock that you should consider before you decide to participate in this offering. You should carefully consider all the information presented in the section entitled "Risk Factors" in this prospectus. Some of the principal risks related to our business include the following:

- The markets we serve are subject to general economic conditions and cyclical demand, which could harm our business and lead to significant shifts in our results of operations from quarter to quarter that make it difficult to project long-term performance.

- A sustained downturn in the energy industry, due to oil and gas prices decreasing or otherwise, could decrease demand for some of our products and services, which could materially and adversely affect our business, financial condition and results of operations.

- As a global business, we are exposed to economic, political and other risks in a number of countries, which could materially reduce our revenues, profitability or cash flows or materially increase our liabilities. If we are unable to continue operating successfully in one or more foreign countries, it may have a material adverse effect on our business and financial condition.

- A failure to deliver our backlog on time could affect our future sales and profitability and our relationships with our customers, and if we were to experience a material amount of modifications or cancellations of orders, our sales could be negatively impacted.

- Our future revenue depends in part on our ability to bid and win new contracts. Our failure to effectively obtain future contracts could adversely affect our profitability.

- We may be unable to compete successfully in the highly competitive markets in which we operate.

- Volatility in currency exchange rates may adversely affect our financial condition, results of operations or cash flows.

- Our business strategy includes acquiring smaller, value-added companies and making investments that complement our existing business. These acquisitions and investments could be unsuccessful or consume significant resources, which could adversely affect our operating results.

- On a pro forma basis after giving effect to this offering and the redemption of a portion of our senior secured notes scheduled to occur on April 29, 2011, as of December 31, 2010, we would have had outstanding indebtedness of $168.0 million. Our debt agreements impose certain operating and financial restrictions, with which failure to comply could result in an event of default that could adversely affect our results of operations.

These and other risks are more fully described in the section entitled "Risk Factors" in this prospectus. If any of these risks actually occur, they could materially harm our business, prospects, financial condition and results of operations. In this event, you could lose part or all of your investment in our common stock offered hereby.

Recent Developments

While we have not finalized our results of operations for the fourth quarter of fiscal 2011 or full fiscal year 2011, the following preliminary and unaudited information reflects our estimates with respect to such results based on currently available information.

We currently expect sales of between $ million and $ million for the fourth quarter of fiscal 2011 and between $ million and $ million for full fiscal year 2011, compared to sales of $49.8 million and $192.7 million for the fourth quarter of fiscal 2010 and full fiscal year 2010, respectively. The estimated increase in sales for the fourth quarter of fiscal 2011 was primarily the result of increased demand for our core thermal products and services. We currently expect income before provision for income taxes of between $ million and $ million for the fourth quarter of fiscal 2011 and a loss before provision for income taxes between $ million and $ million for full fiscal year 2011, compared to income before provision for income taxes of $5.9 million and $32.9 million for the fourth quarter of fiscal 2010 and full fiscal year 2010, respectively. Income before provision for income taxes for the fourth quarter of fiscal 2011 was positively affected by the estimated increase in sales on comparable operating expenses that reflect some efficiency from fixed costs when compared to the fourth quarter of fiscal 2010, but those effects were largely offset by the factors discussed below.

Our estimated results of operations for the fourth quarter of fiscal 2011 and full fiscal year 2011 were significantly impacted by the effects of the Acquisition referred to below. See "—Our Principal Stockholder." We estimate that amortization of intangible assets will be $2.6 million in the fourth quarter of fiscal 2011 and $18.0 million for the full fiscal year 2011, compared to $0.6 million and $2.4 million for the fourth quarter of fiscal 2010 and full fiscal year 2010, respectively. The increase in intangible amortization expense over prior periods is due to purchase price accounting expense related to the Acquisition. We recognized transaction expenses related to the Acquisition of $0.8 million and $22.4 million in the fourth quarter of fiscal 2011 and full fiscal year 2011, respectively; similar expenses in fiscal 2010 totaled $1.0 million, $0.7 million of which was recognized in the fourth quarter of fiscal 2010. As a result of the issuance of $210.0 million aggregate principal amount of our senior secured notes used to partially finance the Acquisition, our interest expense also increased substantially. We estimate interest expense of $5.7 million and $29.0 million in the fourth quarter of 2011 and full fiscal year 2011, respectively. In fiscal 2010, interest expense totaled $1.8 million and $7.4 million for the fourth quarter and full fiscal year 2010, respectively. Our management fees also increased as a result of the Acquisition to an estimated $0.5 million and $2.0 million for the fourth quarter of 2011 and full fiscal year 2011, respectively, from $0.2 million and $0.9 million for the fourth quarter of 2010 and full fiscal year 2010, respectively. Excluding these items that were significantly affected by the Acquisition, we estimate that our income before provision for income taxes for the fourth quarter of fiscal 2011 would have improved from the fourth quarter of fiscal 2010 by approximately $ million to $ million and for full fiscal year 2011 from full fiscal year 2010 by approximately $ million to $ million. For additional discussion regarding factors impacting fiscal year 2011 results of operations prior to the fourth quarter, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Nine Months Ended December 31, 2010 (Combined) Compared to the Nine Months Ended December 31, 2009 (Non-GAAP)."

Because we have not completed our closing processes, including our analysis of the potential impact of additional taxes arising from our receipt on March 31, 2011 of dividends from certain of our foreign subsidiaries in an aggregate amount of $34.3 million to be used to fund the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011 and to pay certain transaction costs incurred in connection with this offering, we are not currently able to estimate our income tax benefit (expense) or net income (loss) for the fourth quarter of fiscal 2011. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Repatriation considerations." Although we are not able to estimate

those items at this time, we have not identified any unusual or unique events or trends that occurred during the fourth quarter of fiscal 2011 that might materially affect our results of operations for that quarter, other than those discussed above. We believe that the foregoing information about our sales and income before provision for income taxes, even when unaccompanied by information regarding our net income (loss) that is not yet available, is helpful to an investor's understanding of our performance and is a meaningful indicator for assessing our operating performance because it demonstrates our continued ability to capture organic growth opportunities and achieve attractive operating results.

We are currently in the process of preparing our audited consolidated financial statements as of and for the year ended March 31, 2011. These financial statements are not currently available and are not expected to be available and filed with the Securities and Exchange Commission until after the consummation of this offering. Estimates of financial results and position are inherently uncertain and subject to change, and adjustments may arise and actual results may differ materially from these estimates. Accordingly, you are cautioned not to place undue reliance on the estimates. This information is a summary of estimated financial data and should be read in conjunction with the "Risk Factors," "Selected Historical and Pro Forma Consolidated Financial and Operating Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our unaudited and audited consolidated financial statements and the accompanying notes appearing elsewhere in this prospectus.

Our Principal Stockholder

Our principal stockholder, CHS Capital LLC, or CHS, acquired its interest in us on April 30, 2010, which we refer to as the Acquisition. CHS beneficially owns 50% of our outstanding shares of common stock on a fully-diluted basis. Two other private equity firms also acquired stakes in us at the time of the Acquisition. We refer to CHS and such other firms collectively in this prospectus as our sponsors.

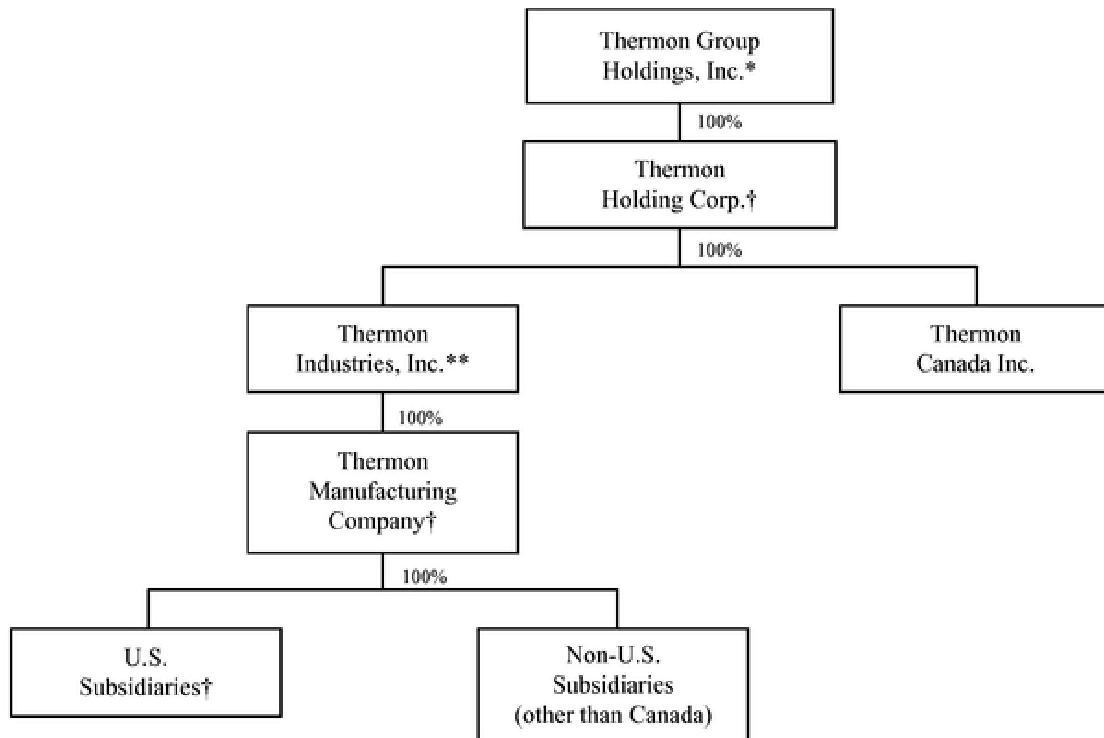
CHS is a Chicago-based private equity firm with 23 years of experience investing in the middle market. Targeting well-managed companies with enterprise values between $75 and $500 million, CHS partners with management teams to focus on accelerating growth, enhancing capabilities and resources and positioning companies for attractive exits. CHS has specialized expertise in the consumer and business services; distribution; and industrial, infrastructure and energy sectors and has completed 74 platform investments and 237 add-on investments. Founded in 1988, CHS has formed five private equity funds and has $2.3 billion of committed capital in active investment funds. CHS currently manages 16 portfolio investments with combined annual revenues in excess of $4.5 billion.

Our Corporate Information

We are incorporated in Delaware and our corporate offices are located at 100 Thermon Drive, San Marcos, TX 78666. Our telephone number is (512) 396-5801. Our website address is *www.thermon.com.* None of the information on our website or any other website identified herein is part of this prospectus or the registration statement of which it forms a part.

Our Organizational Chart

The following chart summarizes our corporate structure:



* Issuer of common stock in this offering and successor for financial statement reporting purposes to Thermon Holdings, LLC, which, as of the consummation of the Acquisition on April 30, 2010, no longer owned any interest in us. Reflects merger of our wholly-owned subsidiary, Thermon Group, Inc., into us prior to the consummation of this offering.

** Issuer of our 9.500% senior secured notes

† Guarantor of our 9.500% senior secured notes

THE OFFERING

Total common stock offered	10,000,000 shares
Common stock offered by us	4,000,000 shares
Common stock offered by selling stockholders	6,000,000 shares
Common stock to be outstanding after this offering	28,933,407 shares
Over-allotment option	We and certain of the selling stockholders have granted the underwriters a 30-day option to purchase up to 1,425,098 and 74,902, respectively, of additional shares of our common stock to cover over-allotments, if any.
Use of proceeds	We estimate that we will receive net proceeds from this offering of approximately $45.9 million (or approximately $63.1 million if the underwriters exercise their option to purchase additional shares of common stock in full), after deducting the underwriting discounts and commissions in connection with this offering and estimated offering expenses payable by us, based on an assumed offering price of $13.00 per share, the midpoint of the range set forth on the cover page of this prospectus. We expect to use $21.6 million of the net proceeds to prepay a portion of the $189.0 million principal amount of our 9.500% Senior Secured Notes that will be outstanding immediately prior to the consummation of this offering, which mature on May 1, 2017, which we refer to as our senior secured notes, and the balance for general corporate purposes. See "Use of Proceeds." We will not receive any proceeds from the shares sold by the selling stockholders.
Risk factors	You should carefully read the "Risk Factors" section of this prospectus for a discussion of factors that you should consider before deciding to invest in shares of our common stock.
New York Stock Exchange symbol	THR

The number of shares of our common stock to be outstanding following this offering is based on 24,933,407 shares of our common stock outstanding as of the date of this prospectus, but excludes 5,660,488 shares of common stock reserved for issuance under our equity incentive plans, of which options to purchase 2,757,524 shares have been granted at a weighted average exercise price of $5.38 per share, all of which will vest and become exercisable upon the consummation of this offering.

Concurrently with the pricing of this offering, we intend to grant to our executive officers and certain other employees options to purchase 122,000 shares with an exercise price equal to the initial public offering price from the number of shares of common stock reserved for issuance under our equity incentive plans.

Unless otherwise expressly stated or the context otherwise requires, all information in this prospectus gives effect to and assumes the following:

- the acceleration and vesting immediately prior to the consummation of this offering of options to purchase 2,757,524 shares of common stock pursuant to the terms of our existing restricted stock and stock option plan;
- no exercise by the underwriters of their option to purchase up to 1,500,000 additional shares of our common stock from us and certain selling stockholders to cover over-allotments, if any;
- the effectiveness of a 192.458681-for-one split of our common stock, which occurred on March 31, 2011;
- the automatic conversion of our common stock into one class of voting common stock, which will occur immediately prior to the consummation of this offering;
- the adoption of our second amended and restated certificate of incorporation, which will occur immediately prior to the consummation of this offering; and
- an initial public offering price of $13.00 per share, the midpoint of the estimated initial public offering price range set forth on the cover of this prospectus.

SUMMARY HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

The following tables set forth certain summary historical and pro forma consolidated financial and operating data for the fiscal years ended March 31, 2008, March 31, 2009 and March 31, 2010, for the nine months ended December 31, 2009 and December 31, 2010, and as of December 31, 2010, and certain pro forma financial information for the fiscal year ended March 31, 2010 and for the nine months ended December 31, 2009 and December 31, 2010. The data set forth below should be read in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Capitalization," "Unaudited Pro Forma Condensed Consolidated Financial Statements," and "Selected Historical and Pro Forma Consolidated Financial and Operating Data," each of which is contained elsewhere in this prospectus, and our consolidated financial statements and the notes thereto for the fiscal years ended March 31, 2008, March 31, 2009 and March 31, 2010 and for the nine months ended December 31, 2009 and December 31, 2010, each of which is contained elsewhere in this prospectus.

In this prospectus, we have included the condensed consolidated financial statements of Thermon Group Holdings, Inc. as of December 31, 2010 and for the period from May 1, 2010 through December 31, 2010 ("successor") and the condensed consolidated financial statements of Thermon Holdings, LLC for the fiscal years ended March 31, 2010 and March 31, 2009, for the period from August 30, 2007 through March 31, 2008, for the nine months ended December 31, 2009 ("predecessor"), and for the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"). Concurrent with the consummation of the Acquisition on April 30, 2010, Thermon Holdings, LLC no longer owned any interest in us, and, beginning with the period from May 1, 2010 through December 31, 2010, we reported the consolidated financial statements of Thermon Group Holdings, Inc. We do not anticipate that there would have been any material difference in our consolidated financial statements and notes thereto for the fiscal years ended March 31, 2008, March 31, 2009 and March 31, 2010 and for the nine months ended December 31, 2009 had such statements been prepared for Thermon Group Holdings, Inc., except as it relates to purchase accounting in connection with the Acquisition.

The presentation of fiscal 2008 includes the combined results of the pre-predecessor and predecessor owners for fiscal 2008 and the predecessor and successor owners for the nine months ended December 31, 2010, respectively. We have presented the combination of these respective periods because it provides an easier-to-read discussion of the results of operations and provides the investor with information from which to analyze our financial results in a manner that is consistent with the way management reviews and analyzes our results of operations. In addition, the combined results provide investors with the most meaningful comparison between our results for prior and future periods. Please refer to notes 1 and 2 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the year ended March 31, 2008 and the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the results for the pre-predecessor and predecessor and predecessor and successor periods.

The summary unaudited pro forma data have been prepared to give effect to the CHS Transactions (as defined below), this offering and the application of the net proceeds therefrom as if they had occurred on April 1, 2009. Assumptions underlying the pro forma adjustments are described in the section entitled "Unaudited Pro Forma Condensed Consolidated Financial Statements—Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements" contained elsewhere in this prospectus. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. Please see "Unaudited Pro Forma Condensed Consolidated Financial Statements—Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements" for a more detailed discussion of how pro forma adjustments are presented in our unaudited pro forma

condensed consolidated financial statements. The unaudited pro forma condensed consolidated data is provided for informational purposes only. The summary unaudited pro forma data do not purport to represent what our results of operations actually would have been if the CHS Transactions, this offering and the application of the net proceeds therefrom had occurred at any date, nor do such data purport to project the results of operations for any future period.

As used in this prospectus, the CHS Transactions refer collectively to the equity investment in us by CHS, our other sponsors and certain members of our management team, the entry into our revolving credit facility, the repayment of amounts owed under, and the termination of, certain then-existing revolving credit and term loan facilities, the issuance of our senior secured notes and the application of the gross proceeds from the offering of our senior secured notes and the equity investment to complete the Acquisition and to pay related fees and expenses of these transactions.

	Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)	Predecessor			Predecessor/ Successor Combined (Non-GAAP)(2)
	Fiscal Year Ended March 31,			Nine Months Ended December 31,	
	2008	2009	2010	2009	2010
	(dollars in thousands, except share and per share data)				
Consolidated Statement of Operations Data:					
Sales	$ 185,811	$ 202,755	$ 192,713	$ 142,905	$ 178,968
Cost of sales	102,946	105,456	101,401	73,966	97,723
Purchase accounting adjustments(3)	7,146	—	—	—	7,519
Gross profit	$ 75,719	$ 97,299	$ 91,312	$ 68,939	$ 73,726
Operating expenses:					
Marketing, general and administrative and engineering expenses	46,569	48,982	46,481	33,099	40,078
Management fees	475	825	862	671	1,412
Amortization of intangible assets	6,716	6,627	2,426	1,803	15,341
Income from operations	$ 21,959	$ 40,865	$ 41,543	$ 33,366	$ 16,895
Interest expense, net	(8,207)	(9,531)	(7,351)	(5,516)	(23,323)(4)
Gain/(loss) on disposition of PP&E	(116)	(18)	(1)	—	—
Miscellaneous income/(expense)(5)	(12,937)	(3,120)	(1,285)	(881)	(21,306)
Income (loss) from continuing operations before taxes	$ 699	$ 28,196	$ 32,906	$ 26,969	$ (27,734)
Income tax benefit (expense)	(21,712)	(1,795)	(13,966)	(12,241)	16,507
Net income (loss)(6)	$ (21,013)	$ 26,401	$ 18,940	$ 14,728	$ (11,227)

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	Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)	Predecessor			Predecessor/ Successor Combined (Non-GAAP)(2)
	Fiscal Year Ended March 31,			Nine Months Ended December 31,	
	2008	2009	2010	2009	2010
	(dollars in thousands, except share and per share data)				
Pro Forma Statement of Operations Data:(7)					
Net income (loss)			$ 18,940	$ 14,728	$ (11,227)
Pro forma adjustments to net income (loss):					
Purchase accounting adjustment			—	—	7,519
Management fees			750	563	1,396
Amortization of purchase intangibles			(9,057)	(6,809)	6,729
Net interest expense			(10,984)	(8,182)	9,384
CHS Transactions costs			309	—	21,605
Tax effect of adjustments			6,643	5,050	(16,322)
Pro forma net income (loss)			$ 6,601	$ 5,350	$ 19,084
Pro forma net income per share					
Basic			$ 0.23	$ 0.19	$ 0.66
Diluted			$ 0.22	$ 0.18	$ 0.63
Pro forma weighted average shares outstanding					
Basic			28,887,987	28,887,987	28,887,987
Diluted			30,477,028	30,477,028	30,477,028
Other Financial Data:					
Adjusted gross margin(8)	44.6%	48.0%	47.4%	48.2%	45.4%
Adjusted EBITDA(9)	$ 38,023	$ 48,322	$ 46,555	$ 36,379	$ 43,772
Capital expenditures	5,315	2,708	1,587	976	1,246
Operating Data:					
Backlog at end of period(10)	$ 77,497	$ 66,779	$ 82,459	$ 79,473	$ 79,749

	As of December 31, 2010	
	Actual	As Adjusted(11)
	(dollars in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$ 35,201	$ 30,444
Accounts receivable, net	47,073	47,073
Inventories, net	27,600	27,600
Total assets	434,061	428,568
Total debt, including current portion	210,000	168,000
Total shareholders' equity		

Total shareholders' equity	121,062	157,569

(1) The closing of the acquisition of a controlling interest in us by affiliates of the Audax Group, which acquisition we refer to as the Audax Transaction, on August 30, 2007, established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and

equity. This resulted in additional amortization expense, interest expense and tax expense for the period from August 30, 2007 through March 31, 2008 ("predecessor") as compared to the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to note 1 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the year ended March 31, 2008 included elsewhere in this prospectus for a separate presentation of the results for the pre-predecessor and predecessor periods in accordance with U.S. generally accepted accounting principles, which we refer to as GAAP.

(2) The closing of the Acquisition on April 30, 2010 established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and equity. This resulted in additional amortization expense, interest expense and tax expense for the period from May 1, 2010 through December 31, 2010 ("successor") as compared to the period from April 1, 2010 through April 30, 2010 ("predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to note 2 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the results for the predecessor and successor periods in accordance with GAAP.

(3) In fiscal 2008, there was a non-cash negative impact of $7.1 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Audax Transaction. In the nine months ended December 31, 2010, there was a similar non-cash negative impact of $7.5 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Acquisition.

(4) Interest expense for the nine months ended December 31, 2010 of $23.3 million included increased interest and amortization related to the CHS Transactions, including interest expense on our revolving credit facility and our senior secured notes issued on April 30, 2010 to finance in part the Acquisition, as well as $2.0 million of unused bridge loan fee amortization, $3.1 million of prepayment fees and $2.6 million of accelerated amortization of the deferred debt costs associated with the repaid debt.

(5) Miscellaneous expense for fiscal 2008 of $(12.9) million consisted primarily of $(8.8) million of non-recurring expenses related to the Audax Transaction, a $(3.9) million employee compensation transaction bonus related to the Audax Transaction, $(0.3) million of foreign exchange transaction losses and $(0.3) million of compliance fees and related costs, partially offset by $0.4 million in net miscellaneous income. Miscellaneous expense for the nine months ended December 31, 2010 of $(21.3) million consisted primarily of $(21.6) million of non-recurring expenses related to the CHS Transactions, and partially offset by $0.6 million of income related to the reversal of our compliance reserve.

(6) We have not presented net income (loss) per share amounts for the periods presented herein, as the capital structures of the pre-predecessor, predecessor and successor are substantially different, and the net income (loss) per share amounts are therefore not comparable or meaningful. Please refer to our consolidated financial statements and notes thereto for fiscal 2008, fiscal 2009 and fiscal 2010 and for the nine months ended December 31, 2009 and December 31, 2010, which are contained elsewhere in this prospectus, for a presentation of the net income (loss) per share and

the weighted average shares outstanding for the pre-predecessor, predecessor and successor periods.

(7) Pro forma statement of operations data gives effect to the CHS Transactions and this offering, including the issuance by us of 4,000,000 shares of our common stock at a price of $13.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, the use of proceeds as set forth under "Use of Proceeds," the termination of our management fee and other items described in "Unaudited Pro Forma Condensed Consolidated Financial Statements," in each case as if they had occurred as of April 1, 2009. In accordance with Rule 11-02(c)(2) of Regulation S-X, we have only presented the pro forma statement of operations data for the most recent fiscal year (*i.e.*, fiscal 2010) and the period from the most recent fiscal year end to the most recent interim date for which a balance sheet is required and the corresponding interim period of the preceding fiscal year (*i.e.*, the nine months ended December 31, 2010 and December 31, 2009).

(8) Represents the difference between sales and cost of sales other than purchase accounting adjustments, divided by sales and, accordingly, does not take into account the non-cash impact of purchase accounting adjustments of $7.1 million and $7.5 million in fiscal 2008 and the nine months ended December 31, 2010, respectively.

(9) Adjusted EBITDA represents net income (loss) from continuing operations before interest expense, income tax expense, depreciation and amortization of intangibles, stock-based compensation expense and before transaction expenses, including those incurred in connection with the Audax Transaction and the Acquisition, non-recurring employee bonuses, and management fees paid to Audax and the sponsors. Disclosure in this prospectus of Adjusted EBITDA, which is a "non-GAAP financial measure", as defined under the rules of the Securities and Exchange Commission, or the SEC, is intended as a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. Adjusted EBITDA should not be considered as an alternative to net income, income from continuing operations or any other performance measure derived in accordance with GAAP. Our presentation of Adjusted EBITDA should not be construed to imply that our future results will be unaffected by unusual or non-recurring items.

We believe this measure is meaningful to our investors to enhance their understanding of our financial performance. Although Adjusted EBITDA is not necessarily a measure of our ability to fund our cash needs, we understand that it is frequently used by securities analysts, investors and other interested parties as a measure of financial performance and to compare our performance with the performance of other companies that report Adjusted EBITDA. Adjusted EBITDA should be considered in addition to, not as a substitute for, income from operations, net income (loss) and other measures of financial performance reported in accordance with GAAP. Our calculation of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. The following table reconciles net income (loss) to Adjusted EBITDA for the periods presented in this table and elsewhere in this prospectus:

	Pre-Predecessor/ Predecessor Combined (Non-GAAP)	Predecessor			Predecessor/ Successor Combined (Non-GAAP)
	Fiscal Year Ended March 31,			Nine Months Ended December 31,	
	2008	2009	2010	2009	2010
	(dollars in thousands)				
Net income (loss)	$ (21,013)	$ 26,401	$ 18,940	$ 14,728	$ (11,227)
Interest expense, net	8,207	9,531	7,351	5,516	23,323
Income tax expense	21,712	1,795	13,966	12,241	(16,507)
Depreciation and amortization expense	15,892	8,497	4,424	3,223	24,432
Stock-based compensation expense	—	—	—	—	734
Audax Transaction expenses(a)	8,820	—	—	—	—
CHS Transactions expenses(b)	—	—	309	—	21,605
Other sale transaction expenses(c)	—	1,273	—	—	—
Other auction transaction expenses(d)	—	—	703	—	—
Non-recurring employee bonus(e)	3,930	—	—	—	—
Management fees(f)	475	825	862	671	1,412
Adjusted EBITDA	$ 38,023	$ 48,322	$ 46,555	$ 36,379	$ 43,772

(a) Represents expenses related to the sale process that culminated with the successful completion of the Audax Transaction, which were incurred in fiscal 2008.

(b) Represents expenses related to the sale process that culminated with the successful completion of the Acquisition, which were incurred during fiscal 2010 and the nine months ended December 31, 2010.

(c) Represents legal, financial and other advisory and consulting fees and expenses incurred during fiscal 2009 when affiliates of the Audax Group, who we collectively refer to as Audax, engaged in negotiations to sell their controlling interest in us. Negotiations were abandoned by the parties in fiscal 2009.

(d) Represents legal, financial and other advisory and consulting fees and expenses incurred during fiscal 2010 when Audax commenced an auction process to sell their controlling interest in us. The auction process was abandoned by Audax in fiscal 2010.

(e) Represents non-recurring bonuses paid to employees prior to the Audax Transaction.

(f) Represents management fees that will terminate in connection with this offering. See "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee."

(10) Represents the future revenue attributable to signed, but unperformed, purchase orders that set forth specific revenue amounts at the end of the applicable period.

(11) As adjusted to reflect (i) the issuance of 4,000,000 shares of common stock by us in this offering, (ii) the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011; (iii) the application of proceeds from this offering as set forth under "Use of Proceeds" and (iv) the payment of the one-time fee in the aggregate amount of $7.4 million to our sponsors in connection with the termination of the management services agreement. Adjustments do not include an increase of $15.0 million in cash and cash equivalents between December 31, 2010 and March 30, 2011.

RISK FACTORS

Investing in our common stock involves substantial risks. In addition to the other information in this prospectus, you should carefully consider the following risk factors before investing in our common stock. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also materially adversely affect our business, financial condition or results of operations. We cannot assure you that any of the events discussed in the risk factors below, or other risks, will not occur. If they do, our business, financial condition and results of operations could be materially adversely affected. In such case, the trading price of our common stock could decline, and you may lose all or part of your investment. Certain statements in "Risk Factors" are forward-looking statements. See "Forward-Looking Statements" elsewhere in this prospectus.

Risks Related to Our Business and Industry

The markets we serve are subject to general economic conditions and cyclical demand, which could harm our business and lead to significant shifts in our results of operations from quarter to quarter that make it difficult to project long-term performance.

Our operating results have been and may in the future be adversely affected by general economic conditions and the cyclical pattern of certain industries in which our customers and end users operate. Demand for our products and services depends in large part upon the level of capital and maintenance expenditures by many of our customers and end users, in particular those in the energy, chemical processing and power generation industries, and firms that design and construct facilities for these industries. These customers' expenditures historically have been cyclical in nature and vulnerable to economic downturns. Prolonged periods of little or no economic growth could decrease demand for oil and gas which, in turn, could result in lower demand for our products and a negative impact on our results of operations and cash flows. In addition, this historically cyclical demand may lead to significant shifts in our results of operations from quarter to quarter, which limits our ability to make accurate long-term predictions about our future performance.

A sustained downturn in the energy industry, due to oil and gas prices decreasing or otherwise, could decrease demand for some of our products and services, which could materially and adversely affect our business, financial condition and results of operations.

A significant portion of our revenue historically has been generated by end-users in the upstream oil and gas markets. The businesses of most of our customers in the energy industry are, to varying degrees, cyclical and historically have experienced periodic downturns. Profitability in the energy industry is highly sensitive to supply and demand cycles and commodity prices, which historically have been volatile, and our customers in this industry historically have tended to delay large capital projects, including expensive maintenance and upgrades, during industry downturns. Customer project delays may limit our ability to realize value from our backlog as expected and cause fluctuations in the timing or the amount of revenue earned and the profitability of our business in a particular period. In addition, such delays may lead to significant fluctuations in results of operations from quarter to quarter, making it difficult to predict our financial performance on a quarterly basis.

Demand for a significant portion of our products and services depends upon the level of capital expenditure by companies in the energy industry, which depends, in part, on energy prices. Prices of oil and gas have been very volatile over the past three years, with significant increases until achieving historic highs in July 2008, followed immediately by a steep decline through 2009 and a moderate increase throughout 2010. A sustained downturn in the capital expenditures of our customers, whether due to a decrease in the market price of oil and gas or otherwise, may delay projects, decrease demand for our products and services and cause downward pressure on the prices we charge, which, in turn, could have a material adverse effect on our business, financial condition and results of operations. Such

downturns, including the perception that they might continue, could have a significant negative impact on the market price of our common stock.

As a global business, we are exposed to economic, political and other risks in a number of countries, which could materially reduce our revenues, profitability or cash flows or materially increase our liabilities. If we are unable to continue operating successfully in one or more foreign countries, it may have a material adverse effect on our business and financial condition.

For fiscal 2010, approximately 66% of our revenues were generated by outside of the United States, and approximately 40% were generated outside North America. In addition, one of our key growth strategies is to continue to expand our global footprint in emerging and high growth markets around the world, although we may not be successful in expanding our international business.

Conducting business outside the United States is subject to additional risks, including the following:

- changes in a specific country's or region's political, social or economic conditions, particularly in emerging markets;
- trade relations between the United States and those foreign countries in which our customers and suppliers have operations, including protectionist measures such as tariffs and import or export licensing requirements;
- restrictions on our ability to own or operate subsidiaries in, expand in and repatriate cash from, foreign jurisdictions;
- exchange controls and currency restrictions;
- the burden of complying with multiple and potentially conflicting laws;
- potentially negative consequences from changes in U.S. and foreign tax laws;
- difficulty in staffing and managing (including ensuring compliance with internal policies and controls) geographically widespread operations;
- different regulatory regimes controlling the protection of our intellectual property;
- difficulty in the enforcement of contractual obligations in non-U.S. jurisdictions and the collection of accounts receivable from foreign accounts; and
- transportation delays or interruptions.

One or more of these factors could prevent us from successfully expanding our presence in international markets, could have a material adverse effect on our revenues, profitability or cash flows or cause an increase in our liabilities. We may not succeed in developing and implementing policies and strategies to counter the foregoing factors effectively in each location where we do business.

A failure to deliver our backlog on time could affect our future sales and profitability and our relationships with our customers, and if we were to experience a material amount of modifications or cancellations of orders, our sales could be negatively impacted.

Our backlog is comprised of the portion of firm signed purchase orders or other written contractual commitments received from customers that we have not recognized as revenue. The dollar amount of backlog as of December 31, 2010 was $79.7 million. The timing of our recognition of revenue out of our backlog is subject to a variety of factors that may cause delays, many of which, including fluctuations in our customers' delivery schedules, are beyond our control. Such delays may lead to significant fluctuations in results of operations from quarter to quarter, making it difficult to predict our financial performance on a quarterly basis. For example, a delay in the completion of a

large Greenfield project resulted in approximately several million dollars in revenue attributable to such project being realized in the quarter ended September 30, 2010, which was one quarter later than expected. Further, while we have historically experienced few order cancellations and the amount of order cancellations has not been material compared to our total contract volume, if we were to experience a significant amount of cancellations of or reductions in purchase orders, it would reduce our backlog and, consequently, our future sales and results of operations.

Our ability to meet customer delivery schedules for our backlog is dependent on a number of factors including, but not limited to, access to raw materials, an adequate and capable workforce, engineering expertise for certain projects, sufficient manufacturing capacity and, in some cases, our reliance on subcontractors. For example, we are currently evaluating the expansion of our principal manufacturing facility in San Marcos, Texas, which we expect will serve our production capacity needs at that location for at least five years based on our current business plan. We cannot, however, provide any assurance that such expansion will be undertaken in a timely fashion, or at all, or that we will realize the gain in capacity we expect. The availability of these factors may in some cases be subject to conditions outside of our control. A failure to deliver in accordance with our performance obligations may result in financial penalties and damage to existing customer relationships, our reputation and a loss of future bidding opportunities, which could cause the loss of future business and could negatively impact our financial performance.

Our future revenue depends in part on our ability to bid and win new contracts. Our failure to effectively obtain future contracts could adversely affect our profitability.

Our future revenue and overall results of operations require us to successfully bid on new contracts and, in particular, contracts for large Greenfield projects, which are frequently subject to competitive bidding processes. For example, for fiscal 2010, approximately 17% of our revenue consisted of designing, engineering, supplying and/or installing equipment for large Greenfield projects pursuant to competitive bids. Our revenue from major projects depends in part on the level of capital expenditures in our principal end markets, including the energy, chemical processing and power generation industries. The number of such projects we win in any year fluctuates, and is dependent upon the number of projects available and our ability to bid successfully for such projects. Contract proposals and negotiations are complex and frequently involve a lengthy bidding and selection process, which is affected by a number of factors, such as competitive position, market conditions, financing arrangements and required governmental approvals. For example, a client may require us to provide a bond or letter of credit to protect the client should we fail to perform under the terms of the contract. If negative market conditions arise, or if we fail to secure adequate financial arrangements or required governmental approvals, we may not be able to pursue particular projects, which could adversely affect our profitability.

We may be unable to compete successfully in the highly competitive markets in which we operate.

We operate in competitive domestic and international markets and compete with highly competitive domestic and international manufacturers and service providers. The fragmented nature of the industrial electric heat tracing industry, which consists of approximately 40 companies, makes the market for our products and services highly competitive. A number of our direct and indirect competitors are major multinational corporations, some of which have substantially greater technical, financial and marketing resources than us, and additional competitors may enter these markets. Our competitors may develop products that are superior to our products, develop methods of more efficiently and effectively providing products and services, or adapt more quickly than we do to new technologies or evolving customer requirements. Any increase in competition may cause us to lose market share or compel us to reduce prices to remain competitive, which could result in reduced sales and earnings.

Volatility in currency exchange rates may adversely affect our financial condition, results of operations or cash flows.

We may not be able to effectively manage our exchange rate and/or currency transaction risks. Volatility in currency exchange rates may decrease our revenues and profitability, adversely affect our liquidity and impair our financial condition. We have not historically entered into hedging instruments to manage our exchange rate risk.

Our non-U.S. subsidiaries generally sell their products and services in the local currency, but obtain a significant amount of their products from our facilities located in another country, primarily the United States, Canada or Europe. In particular, significant fluctuations in the Canadian Dollar, the Russian Ruble, the Euro or the Pound Sterling against the U.S. Dollar could adversely affect our results of operations. We also bid for certain foreign projects in U.S. Dollars or Euros. If the U.S. Dollar or Euro strengthens relative to the value of the local currency, we may be less competitive in bidding for those projects. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosures about Market Risk" for additional information regarding our foreign currency exposure relating to operations.

In order to meet our global cash management needs, we often transfer cash between the United States and foreign operations and sometimes between foreign entities. In addition, our debt service requirements are primarily in U.S. Dollars and a substantial portion of our cash flow is generated in foreign currencies, and we may need to repatriate cash to the United States in order to meet our U.S. debt service obligations, including on our senior secured notes. These transfers of cash expose us to currency exchange rate risks, and significant changes in the value of the foreign currencies relative to the U.S. Dollar could limit our ability to meet our debt obligations, including under our senior secured notes, and impair our financial condition.

Because our consolidated financial results are reported in U.S. Dollars, and we generate a substantial amount of our sales and earnings in other currencies, the translation of those results into U.S. Dollars can result in a significant decrease in the amount of those sales and earnings. In addition, fluctuations in currencies relative to the U.S. Dollar may make it more difficult to perform period-to-period comparisons of our reported results of operations.

Due to the nature of our business, we may be liable for damages based on product liability claims. We are also exposed to potential indemnity claims from customers for losses due to our work or if our employees are injured performing services.

We face a risk of exposure to claims in the event that the failure, use or misuse of our products results, or is alleged to result, in death, bodily injury, property damage or economic loss. Although we maintain quality controls and procedures, we cannot be sure that our products will be free from defects. If any of our products prove to be defective, we may be required to replace the product. In addition, we may be required to recall or redesign such products, which could result in significant unexpected costs. Some of our products contain components manufactured by third parties, which may also have defects. In addition, if we are installing our products, we may be subject to claims that our installation caused damage or loss. Our products are often installed in our customers' or end users' complex and capital intensive facilities in inherently hazardous or dangerous industries, including energy, chemical processing and power generation, where the potential liability from risk of loss could be substantial. Although we currently maintain product liability coverage, which we believe is adequate for the continued operation of our business, we cannot be certain that this insurance coverage will continue to be available to us at a reasonable cost or, if available, will be adequate to cover any potential liabilities. With respect to components manufactured by third-party suppliers, the contractual indemnification that we seek from our third-party suppliers may be insufficient to cover claims made against us. In the event that we do not have adequate insurance or contractual indemnification, product

liabilities could have a material adverse effect on our business, financial condition or results of operations.

Under our customer contracts, we often indemnify our customers from damages and losses they incur due to our work or services performed by us, as well as for losses our customers incur due to any injury or loss of life suffered by any of our employees or our subcontractor's personnel occurring on our customer's property. Many, but not all, of our customer contracts include provisions designed to limit our potential liability by excluding consequential damages and lost profits from our indemnity obligations. However, substantial indemnity claims may exceed the amount of insurance we maintain and could have a material adverse affect on our reputation, business, financial condition or results of operations.

A material disruption at any of our manufacturing facilities could adversely affect our results of operations.

If operations at any of our manufacturing facilities were to be disrupted as a result of significant equipment failures, natural disasters, power outages, fires, explosions, terrorism, adverse weather conditions, labor disputes or other reasons, we may be unable to fill customer orders and otherwise meet customer demand for our products, which could adversely affect our financial performance. For example, our marketing and research & development buildings, located on the same campus as our corporate headquarters and primary manufacturing facility in San Marcos, Texas, were destroyed by a tornado in January 2007.

Interruptions in production, in particular at our manufacturing facilities in San Marcos, Texas, or Calgary, Canada, at which we manufacture the majority of our products, could increase our costs and reduce our sales. Any interruption in production capability could require us to make substantial capital expenditures to fill customer orders, which could negatively affect our profitability and financial condition. We maintain property damage insurance that we believe to be adequate to provide for reconstruction of facilities and equipment, as well as business interruption insurance to mitigate losses resulting from any production interruption or shutdown caused by an insured loss. However, any recovery under our insurance policies may not offset the lost sales or increased costs that may be experienced during the disruption of operations, which could adversely affect our financial performance.

Our international operations and non-U.S. subsidiaries are subject to a variety of complex and continually changing laws and regulations and, in particular, export control regulations.

Due to the international scope of our operations, we are subject to a complex system of laws and regulations, including regulations issued by the U.S. Department of Justice, or the DOJ, the SEC, the Internal Revenue Service, or the IRS, Customs and Border Protection, or CBP, the Bureau of Industry and Security, or BIS, the Office of Antiboycott Compliance, or OAC, and the Office of Foreign Assets Control, or OFAC, as well as the counterparts of these agencies in foreign countries. While we believe we are in material compliance with these regulations and maintain programs intended to achieve compliance, we may currently or may in the future be in violation of these regulations. In 2009, we entered into settlement agreements with BIS and OFAC, and in 2010, we entered into a settlement agreement with OAC, in each case with respect to matters we voluntarily disclosed to such agencies.

Any alleged or actual violations may subject us to government scrutiny, investigation and civil and criminal penalties and may limit our ability to export our products or provide services outside the United States. Additionally, we cannot predict the nature, scope or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

In addition, our geographically widespread operations, coupled with our relatively smaller offices in many countries and our reliance on third party subcontractors, suppliers and manufacturers in the completion of our projects, make it more difficult to oversee and ensure that all our offices and employees comply with our internal policies and control procedures. We have in the past experienced employee theft, although the amounts involved have not been material, and we cannot assure you that we can ensure compliance with our internal control policies and procedures.

We operate in many different jurisdictions and we could be adversely affected by violations of the U.S. Foreign Corrupt Practices Act and similar foreign anti-corruption laws.

The U.S. Foreign Corrupt Practices Act, which we refer to as the FCPA, and similar foreign anti-corruption laws generally prohibit companies and their intermediaries from making improper payments or providing anything of value to influence foreign government officials for the purpose of obtaining or retaining business or obtaining an unfair advantage. Recent years have seen a substantial increase in the global enforcement of anti-corruption laws, with more frequent voluntary self-disclosures by companies, aggressive investigations and enforcement proceedings by both the DOJ and the SEC resulting in record fines and penalties, increased enforcement activity by non-U.S. regulators, and increases in criminal and civil proceedings brought against companies and individuals. Because many of our customers and end users are involved in infrastructure construction and energy production, they are often subject to increased scrutiny by regulators. Our internal policies mandate compliance with these anti-corruption laws. We operate in many parts of the world that are recognized as having governmental corruption problems to some degree and where strict compliance with anti-corruption laws may conflict with local customs and practices. Our continued operation and expansion outside the United States, including in developing countries, could increase the risk of such violations in the future. Despite our training and compliance programs, we cannot assure you that our internal control policies and procedures always will protect us from unauthorized reckless or criminal acts committed by our employees or agents. In the event that we believe or have reason to believe that our employees or agents have or may have violated applicable anti-corruption laws, including the FCPA, we may be required to investigate or have outside counsel investigate the relevant facts and circumstances, which can be expensive and require significant time and attention from senior management. Violations of these laws may result in severe criminal or civil sanctions, which could disrupt our business and result in a material adverse effect on our reputation, business, results of operations or financial condition.

Our dependence on subcontractors could adversely affect our results of operations.

We often rely on third party subcontractors as well as third party suppliers and manufacturers to complete our projects. To the extent that we cannot engage subcontractors or acquire supplies or materials, our ability to complete a project in a timely fashion or at a profit may be impaired. If the amount we are required to pay for these goods and services exceeds the amount we have estimated in bidding for fixed-price contracts, we could experience losses on these contracts. In addition, if a subcontractor or supplier is unable to deliver its services or materials according to the negotiated contract terms for any reason, including the deterioration of its financial condition or over-commitment of its resources, we may be required to purchase the services or materials from another source at a higher price. This may reduce the profit to be realized or result in a loss on a project for which the services or materials were needed.

We may lose money on fixed-price contracts, and we are exposed to liquidated damages risks in many of our customer contracts.

We often agree to provide products and services under fixed-price contracts, including our turnkey solutions. Under these contracts, we are typically responsible for all cost overruns, other than the amount of any cost overruns resulting from requested changes in order specifications. Our actual costs

and any gross profit realized on these fixed-price contracts could vary from the estimated costs on which these contracts were originally based. This may occur for various reasons, including errors in estimates or bidding, changes in availability and cost of labor and raw materials and unforeseen technical and logistical challenges, including with managing our geographically widespread operations and use of third party subcontractors, suppliers and manufacturers in many countries. These variations and the risks inherent in our projects may result in reduced profitability or losses on projects. Depending on the size of a project, variations from estimated contract performance could have a material adverse impact on our operating results. In addition, many of our customer contracts, including fixed-price contracts, contain liquidated damages provisions in the event that we fail to perform our obligations thereunder in a timely manner or in accordance with the agreed terms, conditions and standards.

If we lose our senior management or other key employees, our business may be adversely affected.

Our ability to successfully operate and grow our global business and implement our strategies is largely dependent on the efforts, abilities and services of our senior management and other key employees. If we lose the services of our senior management or other key employees and are unable to find qualified replacements with comparable experience in the industry, our business could be negatively affected. Our future success will also depend on, among other factors, our ability to attract and retain qualified personnel, such as engineers and other skilled labor, and in particular management and skilled employees for our foreign operations.

Our business strategy includes acquiring smaller, value-added companies and making investments that complement our existing business. These acquisitions and investments could be unsuccessful or consume significant resources, which could adversely affect our operating results.

Acquisitions and investments may involve cash expenditures, debt incurrence, operating losses and expenses that could have a material adverse effect on our financial condition and operating results. Acquisitions involve numerous other risks, including:

- diversion of management time and attention from daily operations;
- difficulties integrating acquired businesses, technologies and personnel into our business;
- potential loss of key employees, key contractual relationships or key customers of acquired companies or of us; and
- assumption of the liabilities and exposure to unforeseen liabilities of acquired companies.

We have limited experience in acquiring or integrating other businesses or making investments or undertaking joint ventures with others. It may be difficult for us to complete transactions quickly and to integrate acquired operations efficiently into our current business operations. Any acquisitions or investments may ultimately harm our business or financial condition, as such acquisitions may not be successful and may ultimately result in impairment charges.

We are subject to numerous environmental and health and safety laws and regulations, as well as potential environmental liabilities, which may require us to make substantial expenditures.

Our operations and properties are subject to a variety of federal, state, local and foreign environmental laws and regulations, including those governing the discharge of pollutants into the air or water, the management and disposal of hazardous substances or wastes, the cleanup of contaminated sites and workplace health and safety. As an owner or operator of real property, or generator of waste, we could become subject to liability for environmental contamination, regardless of whether we caused such contamination. Certain environmental laws, including the Comprehensive Environmental Response, Compensation, and Liability Act, or CERCLA, impose joint and several liability for cleanup

costs, without regard to fault, on persons who have disposed of or released hazardous substances into the environment. In addition, we could become liable to third parties for damages resulting from the disposal or release of hazardous substances into the environment. Some of our operations require environmental permits and controls to prevent and reduce air and water pollution, and these permits are subject to modification, renewal and revocation by issuing authorities. From time to time, we could be subject to requests for information, notices of violation, and/or investigations initiated by environmental regulatory agencies relating to our operations and properties. Violations of environmental and health and safety laws can result in substantial penalties, civil and criminal sanctions, permit revocations, and facility shutdowns. Environmental and health and safety laws may change rapidly and have tended to become more stringent over time. As a result, we could incur costs for past, present, or future failure to comply with all environmental and health and safety laws and regulations. In addition, we could become subject to potential regulations concerning the emission of greenhouse gases, and while the effect of such future regulations cannot be determined at this time, they could require us to incur substantial costs in order to achieve and maintain compliance. In the ordinary course of business, we may be held responsible for any environmental damages we may cause to our customers' premises.

Additional liabilities related to taxes or potential tax adjustments could adversely impact our financial results, financial condition and cash flow.

We are subject to tax and related obligations in the jurisdictions in which we operate or do business, including state, local, federal and foreign taxes. The taxing rules of the various jurisdictions in which we operate or do business often are complex and subject to varying interpretations. Tax authorities may challenge tax positions that we take or historically have taken, and may assess taxes where we have not made tax filings or may audit the tax filings we have made and assess additional taxes, as they have done from time to time in the past. Some of these assessments may be substantial, and also may involve the imposition of substantial penalties and interest. In particular, in the years eligible for future audit, we consummated certain significant business transactions that we treated or intend to treat as not resulting in immediate gain for income tax purposes. Significant judgment is required in evaluating our tax positions and in establishing appropriate reserves. The resolutions of our tax positions are unpredictable. The payment of substantial additional taxes, penalties or interest resulting from any assessments could materially and adversely impact our results of operations, financial condition and cash flow.

Even though we have increased and may in the future increase our repatriation of cash earned by our non-U.S. subsidiaries to fund one-time redemptions of our outstanding senior secured notes or other extraordinary corporate events in the United States, we will leave a portion of such cash outside the United States as permanently reinvested earnings and profits. Accordingly, our current estimated annual effective tax rate is based on partial, and not full, repatriation of cash earned by our non-U.S. subsidiaries. If we underestimate our need for repatriated cash, or our needs change, significant tax adjustments may result.

We have anticipated the need for a valuation reserve against deferred tax assets that are expected to arise this year as we repatriate earnings to fund one-time redemptions of our outstanding senior secured notes in the United States. We expect the deferred tax asset to arise from limitations on our ability to recover the foreign taxes paid on repatriated earnings. This calculation is complex and we may have underestimated or overestimated the need for a valuation reserve and significant tax adjustments may result.

The obligations associated with being a public company will require significant resources and management attention.

As a public company with listed equity securities, we will need to comply with new laws, regulations and requirements, including the requirements of the Securities Exchange Act of 1934, as amended, which we refer to the Exchange Act, certain corporate governance provisions of the Sarbanes-Oxley Act of 2002, which we refer to as the Sarbanes-Oxley Act, related regulations of the SEC and requirements of the New York Stock Exchange, which we refer to as the NYSE, with which we were not required to comply as a private company. Complying with these statutes, regulations and requirements will occupy a significant amount of time of our board of directors and management and will significantly increase our legal, accounting and other expenses. The Exchange Act requires that we file annual, quarterly and current reports with respect to our business and financial condition. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert management's attention from implementing our growth strategy, which could prevent us from improving our business, results of operations and financial condition. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to satisfy our obligations. In addition, we cannot predict or estimate the amount of additional costs we may incur in order to comply with these requirements.

Section 404 of the Sarbanes-Oxley Act requires annual management assessments and attestation by our independent registered public accounting firm of the effectiveness of our internal control over financial reporting. Starting with the annual report for the fiscal year ending March 31, 2012, we will be required to file an annual management assessment of the effectiveness of our internal control over financial reporting with the SEC. For the fiscal year ending March 31, 2013, in addition to the management assessment, we will have to file an attestation by our independent registered public accounting firm of the effectiveness of our internal control over financial reporting with the SEC. In connection with the implementation of the necessary procedures and practices related to internal control over financial reporting, we or our independent registered public accounting firm may identify deficiencies that we may not be able to remediate in time to meet the deadline imposed by the Sarbanes-Oxley Act for compliance with the requirements of Section 404. If we fail to comply with Section 404, or if we or our independent registered public accounting firm identify and report a material weakness, it may affect the reliability of our internal control over financial reporting, which could adversely affect the market price of our common stock and subject us to sanctions or investigations by the NYSE, the SEC or other regulatory authorities, which would require additional financial and management resources.

Our current or future indebtedness could impair our financial condition and reduce the funds available to us for other purposes. Our debt agreements impose certain operating and financial restrictions, with which failure to comply could result in an event of default that could adversely affect our results of operations.

We have substantial indebtedness. On a pro forma basis, after giving effect to this offering, the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011 and the prepayment of $21.0 million of our senior secured notes using proceeds from this offering, as of December 31, 2010, we would have had aggregate indebtedness, net of current portion, of $168.0 million, all of which was secured. In the nine months ended December 31, 2010, our consolidated interest expense on our senior secured notes was approximately $13.3 million (which excludes interest expense resulting from debt costs relating to the CHS Transactions, our revolving credit facility and amortization). Following the redemption of our senior secured notes scheduled to

occur on April 29, 2011 and the consummation of this offering, we expect annual interest expense on our senior secured notes to be reduced by approximately $4.0 million, assuming net proceeds to us in this offering of approximately $45.9 million, based on an assumed initial public offering price of $13.00 per share, the midpoint of the range on the cover of this prospectus. If our cash flows and capital resources are insufficient to fund these and other debt service obligations and keep us in compliance with the covenants under our debt agreements or to fund our other liquidity needs, we may be forced to reduce or delay capital expenditures, sell assets or operations, seek additional capital or restructure or refinance our indebtedness. We cannot ensure that we would be able to take any of these actions, that these actions would permit us to meet our scheduled debt service obligations or that these actions would be permitted under the terms of our existing or future debt agreements, which may impose significant operating and financial restrictions on us and could adversely affect our ability to finance our future operations or capital needs; obtain standby letters of credit, bank guarantees or performance bonds required to bid on or secure certain customer contracts; make strategic acquisitions or investments or enter into alliances; withstand a future downturn in our business or the economy in general; engage in business activities, including future opportunities, that may be in our interest; and plan for or react to market conditions or otherwise execute our business strategies.

If we cannot make scheduled payments on our debt, or if we breach any of the covenants in debt agreements, we will be in default and, as a result, our debt holders could declare all outstanding principal and interest to be due and payable, the lenders under our revolving credit facility could terminate their commitments to lend us money and foreclose against the assets securing our borrowings, and we could be forced into bankruptcy or liquidation.

In addition, we and certain of our subsidiaries may incur significant additional indebtedness, including additional secured indebtedness. Although the terms of our debt agreements contain restrictions on the incurrence of additional indebtedness, these restrictions are subject to a number of qualifications and exceptions, and additional indebtedness incurred in compliance with these restrictions could be significant. Incurring additional indebtedness could increase the risks associated with our substantial indebtedness, including our ability to service our indebtedness.

A significant portion of our business is conducted through foreign subsidiaries and our failure to generate sufficient cash flow from these subsidiaries, or otherwise repatriate or receive cash from these subsidiaries, could result in our inability to repay our indebtedness.

For the nine months ended December 31, 2010, 71% of our revenues were generated outside of the United States. While we have been able to meet the regular interest payment obligations on our senior secured notes to date from cash generated through our U.S. operations, we may not be able to do so in the future or may seek to repatriate cash for other uses, and our ability to withdraw cash from foreign subsidiaries will depend upon the results of operations of these subsidiaries and may be subject to legal, contractual or other restrictions and other business considerations. Our foreign subsidiaries may enter into financing arrangements that limit their ability to make loans or other payments to fund payments of our debt. In particular, to the extent our foreign subsidiaries incur additional indebtedness, the ability of our foreign subsidiaries to provide us with cash may be limited. In addition, dividend and interest payments to us from our foreign subsidiaries may be subject to foreign withholding taxes, which could reduce the amount of funds we receive from our foreign subsidiaries. Dividends and other distributions from our foreign subsidiaries may also be subject to fluctuations in currency exchange rates and legal and other restrictions on repatriation, which could further reduce the amount of funds we receive from our foreign subsidiaries.

In general, when an entity in a foreign jurisdiction repatriates cash to the United States, the amount of such cash is treated as a dividend taxable at current U.S. tax rates. Accordingly, upon the distribution of cash to us from our foreign subsidiaries, we will be subject to U.S. income taxes. Although foreign tax credits may be available to reduce the amount of the additional tax liability, these

credits may be limited based on our tax attributes. Therefore, to the extent that we must use cash generated in foreign jurisdictions, there may be a cost associated with repatriating cash to the United States.

We rely heavily on trade secrets to gain a competitive advantage in the market and the unenforceability of our nondisclosure agreements may adversely affect our operations.

The heat tracing industry is highly competitive and subject to the introduction of innovative techniques and services using new technologies. While we have patented some of our products and processes, we historically have not relied upon patents to protect our design or manufacturing processes or products, and our patents are not material to our operations or business. Instead, we rely significantly on maintaining confidential our trade secrets and other information related to our operations. Accordingly, we require all employees to sign a nondisclosure agreement to protect our trade secrets, business strategy and other proprietary information. If the provisions of these agreements are found unenforceable in any jurisdiction within which we operate, the disclosure of our proprietary information may place us at a competitive disadvantage. Even where the provisions are enforceable, the confidentiality clauses may not provide adequate protection of our trade secrets and proprietary information in every jurisdiction.

We may be unable to prevent third parties from using our intellectual property rights, including trade secrets and know-how, without our authorization or from independently developing intellectual property that is the same as or similar to ours, particularly in those countries where the laws do not protect our intellectual property rights as fully as in the United States. The unauthorized use of our trade secrets or know-how by third parties could reduce or eliminate any competitive advantage we have developed, cause us to lose sales or otherwise harm our business or increase our expenses as we attempt to enforce our rights.

Our intellectual property rights may not be successfully asserted in the future or may be invalidated, circumvented or challenged.

We have obtained and applied for some U.S. and, to a lesser extent, foreign trademark registrations and will continue to evaluate the registration of additional trademarks. We cannot guarantee that any of our pending applications will be approved. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge them. In addition, we rely on a number of significant unregistered trademarks, primarily abroad, but also in the United States, in the day-to-day operation of our business. Without the protections afforded by registration, our ability to protect and use our trademarks may be limited and could negatively affect our business.

In addition, while we have not faced intellectual property infringement claims from others in recent years, in the event successful infringement claims are brought against us, particularly claims (under patents or otherwise) against our product design or manufacturing processes, such claims could have a material adverse affect on our business, financial condition or results of operation.

Risks Related to This Offering and Our Common Stock

There is currently no public market for our common stock and an active trading market for our common stock may never develop following this offering.

Prior to this offering, there has been no public market for our common stock. Although our common stock has been approved for listing on the NYSE, an active public market for our shares may not develop or be sustained after this offering and there can be no assurance as to they liquidity of any market that may develop for our common stock. If an active market does not develop, the market price and liquidity of our common stock may be adversely affected. The initial public offering price will be determined by negotiations between the underwriters, the selling stockholders and our board of

directors and may not be representative of the market price at which our shares of common stock will trade after this offering. In particular, we cannot assure you that you will be able to resell our shares at or above the initial public offering price.

The price of our common stock could be volatile.

The overall market and the price of our common stock may fluctuate greatly. The trading price of our common stock may be significantly affected by various factors, including:

- quarterly fluctuations in our operating results;
- changes in investors' and analysts' perception of the business risks and conditions of our business or our competitors;
- our ability to meet the earnings estimates and other performance expectations of financial analysts or investors;
- unfavorable commentary or downgrades of our stock by equity research analysts;
- the emergence of new sales channels in which we are unable to compete effectively;
- disruption to our operations;
- termination of lock-up agreements or other restrictions on the ability of our existing stockholders to sell their shares after this offering;
- fluctuations in the stock prices of our peer companies or in stock markets in general; and
- general economic or political conditions.

Future sales of our common stock may lower our stock price.

If our existing stockholders sell a large number of shares of our common stock following this offering, the market price of our common stock could decline significantly. In addition, the perception in the public market that our existing stockholders might sell shares of common stock could depress the market price of our common stock, regardless of the actual plans of our existing stockholders. Immediately after this offering, 28,933,407 shares of our common stock will be outstanding. This includes the 10,000,000 shares of common stock that we and the selling stockholders are selling in this offering, which may be resold in the public market immediately after this offering (unless purchased by an "affiliate," as such term is defined in Rule 144 under the Securities Act of 1933, as amended, which we refer to as the Securities Act, in which case such affiliate will be subject to the restrictions imposed by Rule 144).

We expect that the remaining 18,933,407 shares, representing 65% of our total outstanding shares of common stock following this offering, will become available for resale in the public market as shown in the chart below. Our directors and executive officers, the holders of all of our outstanding shares and vested options and participants in the directed share program, have signed lock-up agreements for a period of 180 days following the date of this prospectus, subject to extension in the case of an earnings release or material news or a material event relating to us. Barclays Capital Inc. and Jefferies & Company, Inc. may, in their sole discretion and without notice, release all or any portion of the shares of common stock subject to lock-up agreements. As restrictions on resale end, the market price of our shares of common stock could drop significantly if the holders of these restricted shares sell them or are perceived by the market as intending to sell them. These factors could also make it

more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities.

Number of Shares and % of Total Outstanding	Date Available for Sale Into Public Market
0 shares or 0%	On the date of this prospectus
0 shares or 0%	Up to and including 180 days after the date of this prospectus
18,933,407 shares or 65%	More than 180 days after the date of this prospectus, of which 13,845,384 shares, or 48%, are subject to volume, manner of sale and other limitations under Rule 144, and of which 2,630,412 shares (including 971,918 shares which are also subject to volume, manner of sale and other limitations under Rule 144), or 9%, are subject to the restrictions on open market transfers pursuant to the terms of our Securityholder Agreement (as described below under "Shares Available for Future Sale—Lock-up Agreements")

In addition, 2,757,524 shares of common stock will be eligible for sale upon exercise of vested options 180 days following the date of this prospectus, subject to extension as described under "Underwriting." Following this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register all of the shares of common stock subject to outstanding options under our existing option plan as well as all shares of our common stock that may be covered by additional options and other awards granted under the our new 2011 Long-Term Incentive Plan. See "Compensation Discussion and Analysis—2011 Long-Term Incentive Plan." Once these shares are registered, they can be sold in the public market upon issuance, subject to restrictions under the securities laws applicable to resales by affiliates.

In addition, commencing 180 days following this offering, CHS will have the right, subject to certain exceptions and conditions, to require us to register their 9,556,793 shares of common stock under the Securities Act, and holders of an additional 9,376,614 shares of our common stock will have the right to participate in future registrations of securities by us. Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See "Shares Available for Future Sale."

Investors in this offering will suffer immediate and substantial dilution.

The initial public offering price per share of common stock will be substantially higher than our pro forma net tangible book value per share immediately after this offering. As a result, you will pay a price per share that substantially exceeds the book value of our assets after subtracting our liabilities. At an offering price of $13.00 per share, the midpoint range set forth on the cover of this prospectus, you will incur immediate and substantial dilution in an amount of $17.19 per share of common stock. See "Dilution."

Moreover, we issued options in the past to acquire common stock at prices significantly below the assumed initial public offering price. As of the date of this prospectus, 2,757,524 shares of common stock were issuable upon exercise of outstanding stock options. To the extent that these outstanding options are ultimately exercised, you will incur further dilution.

An increase in interest rates may cause the market price of our common stock to decline.

Like all equity investments, an investment in our common stock is subject to certain risks. In exchange for accepting these risks, investors may expect to receive a higher rate of return than would otherwise be obtainable from lower-risk investments. Accordingly, as interest rates rise, the ability of investors to obtain higher risk-adjusted rates of return by purchasing government-backed debt securities

may cause a corresponding decline in demand for riskier investments generally, including yield-based equity investments. Reduced demand for our common stock resulting from investors seeking other more favorable investment opportunities may cause the trading price of our common stock to decline.

Anti-takeover provisions contained in our amended and restated certificate of incorporation and amended and restated bylaws, as well as provisions of Delaware law, could impair a takeover attempt that our stockholders may find beneficial.

Our second amended and restated certificate of incorporation, amended and restated bylaws and Delaware law contain provisions that could have the effect of rendering more difficult or discouraging an acquisition deemed undesirable by our board of directors. Our corporate governance documents include provisions:

- authorizing our board of directors, without further action by the stockholders, to issue blank check preferred stock;
- limiting the ability of our stockholders to call and bring business before special meetings and to take action by written consent in lieu of a meeting;
- requiring advance notice of stockholder proposals for business to be conducted at meetings of our stockholders and for nominations of candidates for election to our board of directors;
- authorizing our board of directors, without stockholder approval, to amend our amended and restated bylaws;
- limiting the determination of the number of directors on our board of directors and the filling of vacancies or newly created seats on our board of directors to our board of directors then in office; and
- subject to certain exceptions, limiting our ability to engage in certain business combinations with an "interested stockholder" for a three-year period following the time that the stockholder became an interested stockholder.

These provisions, alone or together, could delay hostile takeovers and changes in control of our company or changes in our management.

As a Delaware corporation, we are also subject to provisions of Delaware law, which may impair a takeover attempt that our stockholders may find beneficial. Any provision of our second amended and restated certificate of incorporation or amended and restated bylaws or Delaware law that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock, and could also affect the price that some investors are willing to pay for our common stock.

Our existing stockholders will exert significant influence over us after the consummation of this offering, and their interests may not coincide with yours.

After this offering, CHS and its affiliates will own, in the aggregate, 33.0% of our outstanding common stock. CHS and its affiliates, together with the investment funds associated with the other sponsors, will own, in the aggregate, 54.4% of our outstanding common stock. These percentages will decrease to 31.5% and 51.8%, respectively, if the underwriters exercise their over-allotment option in full. As a result, these stockholders, acting individually or together, could control substantially all matters requiring stockholder approval for the foreseeable future, including approval of significant corporate transactions. In addition, following this offering, pursuant to the terms of our Securityholder Agreement (as described below in "Certain Relationships and Related Party Transactions—Securityholder Agreement"), CHS will continue to have the ability to designate one member of our board of directors and to require all other parties to the Securityholder Agreement to sell their respective shares of our common stock, on substantially the same terms and conditions as CHS is

selling its shares, in the event that CHS approves a sale of us. After giving effect to this offering, the parties to the Securityholder Agreement, other than CHS, will own in the aggregate 32.4% of our outstanding common stock (or 30.6% if the underwriters exercise their over-allotment option in full). The interests of these stockholders may not always coincide with our interests as a company or the interest of other stockholders. In addition, this concentration of ownership may delay or prevent a change in control of our company, even if that change in control would benefit our stockholders. This significant concentration of stock ownership and voting power may adversely affect the trading price of our common stock due to investors' perception that conflicts of interest may exist or arise. See "Principal and Selling Stockholders" and "Certain Relationships and Related Party Transactions" for further information about the equity interests held by our sponsors and their respective affiliates.

Moreover, our second amended and restated certificate of incorporation contains a provision renouncing our interest and expectancy in, or in being offered an opportunity to participate in, any business opportunity that may be presented to the sponsors or any of their respective affiliates (other than us and our subsidiaries), subsidiaries, officers, directors, agents, stockholders, members, partners and employees and that may be a business opportunity for such sponsor, even if the opportunity is one that we might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. None of the sponsors has any duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as us or any of our subsidiaries. See "Description of Capital Stock —Anti-Takeover Effects of Provisions of Our Second Amended and Restated Certificate of Incorporation, Our Amended and Restated Bylaws and Delaware Law—Corporate Opportunity."

We may be eligible to take advantage of the NYSE's "controlled company" exemption from certain NYSE corporate governance requirements, and if we elect to do so, our stockholders will not have the same protections afforded to stockholders of companies that are subject to such requirements.

Under the NYSE rules, a company of which more than 50% of the voting power is held by another person or group of persons acting together is a "controlled company" and may elect not to comply with certain NYSE corporate governance requirements. We may be eligible to take advantage of the "controlled company" exception in light of the collective voting power of our sponsors and their respective affiliates after giving effect to this offering. We currently do not intend to rely on this exception even if we are so eligible, but may elect to do so in the future. If we were to elect to be treated as a "controlled company" in the future, we would be exempt from certain NYSE corporate governance requirements, including the requirements that our board of directors consist of a majority of independent directors and that we have compensation and nominating and corporate governance committees comprised entirely of independent directors, and our stockholders would not have the same protections afforded to stockholders of companies that are subject to all of the NYSE corporate governance requirements.

If securities or industry analysts do not publish research or reports about our business, if they adversely change their recommendations regarding our common stock or if our operating results do not meet their expectations, our common stock price could decline.

The market price of our common stock will be influenced by the research and reports that industry or securities analysts publish about us or our business. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause the market price of our common stock or its trading volume to decline. Moreover, if one or more of the analysts who cover our company downgrade our common stock or if our operating results or prospects do not meet their expectations, the market price of our common stock could decline.

FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements within the meaning of the U.S. federal securities laws in addition to historical information. These forward-looking statements are included throughout this prospectus, including in the sections entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" and include, without limitation, statements regarding our industry, business strategy, plans, goals and expectations concerning our market position, future operations, margins, profitability, capital expenditures, liquidity and capital resources and other financial and operating information. When used in this discussion, the words "anticipate," "assume," "believe," "budget," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "will," "future" and similar terms and phrases are intended to identify forward-looking statements in this prospectus.

Forward-looking statements reflect our current expectations regarding future events, results or outcomes. These expectations may or may not be realized. Some of these expectations may be based upon assumptions, data or judgments that prove to be incorrect. In addition, our business and operations involve numerous risks and uncertainties, many of which are beyond our control, which could result in our expectations not being realized or otherwise materially affect our financial condition, results of operations and cash flows. The statements include but are not limited to statements regarding: (i) our plans to strategically pursue emerging growth opportunities in diverse regions and across industry sectors; (ii) our plans to secure more Greenfield project bids; (iii) our ability to generate more MRO/UE revenue from our existing and future installed base; (iv) our ability to timely deliver backlog; (v) our ability to respond to new market developments and technological advances; (vi) our expectations regarding energy consumption and demand in the future and its impact on our future results of operations; (vii) our plans to develop strategic alliances with major customers and suppliers; (viii) our expectations that our revenues will continue to increase; (ix) our belief in the sufficiency of our cash flows to meet our needs for the next year; (x) our expectations regarding our expansion of our principal manufacturing facility in San Marcos, Texas; and (xi) our intended use of proceeds from this offering.

Actual events, results and outcomes may differ materially from our expectations due to a variety of factors. Although it is not possible to identify all of these factors, they include, among others, (i) general economic conditions and cyclicality in the markets we serve; (ii) future growth of energy and chemical processing capital investments; (iii) changes in relevant currency exchange rates; (iv) our ability to comply with the complex and dynamic system of laws and regulations applicable to international operations; (v) a material disruption at any of our manufacturing facilities; (vi) our dependence on subcontractors and suppliers; (vii) our ability to obtain standby letters of credit, bank guarantees or performance bonds required to bid on or secure certain customer contracts; (viii) competition from various other sources providing similar heat tracing products and services, or other alternative technologies, to customers; (ix) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (x) our ability to continue to generate sufficient cash flow to satisfy our liquidity needs; (xi) the extent to which federal, state, local and foreign governmental regulation of energy, chemical processing and power generation products and services limits or prohibits the operation of our business; and (xii) other factors discussed in more detail under the caption "Risk Factors." Any one of these factors or a combination of these factors could materially affect our future results of operations and could influence whether any forward-looking statements contained in this prospectus ultimately prove to be accurate. See also "Risk Factors" included elsewhere in this prospectus regarding the additional factors that have impacted or may impact our business and operations.

Our forward-looking statements are not guarantees of future performance, and actual results and future performance may differ materially from those suggested in any forward-looking statements. We do not intend to update these statements unless we are required to do so under applicable securities laws.

USE OF PROCEEDS

Based upon an assumed initial public offering price of $13.00 per share, which is the mid-point of the price range set forth on the cover page of this prospectus, we estimate that we will receive net proceeds from this offering of approximately $45.9 million (or approximately $63.1 million if the underwriters exercise their option to purchase additional shares of common stock in full), after deducting the underwriting discounts and commissions in connection with this offering and estimated offering expenses payable by us of $2.5 million. See "Underwriting."

We intend to use $21.6 million of the net proceeds from this offering received by us to prepay $21.0 million of the $189.0 million principal amount of our 9.500% Senior Secured Notes that will be outstanding immediately prior to the consummation of this offering, which mature on May 1, 2017, reflecting a redemption price of 103% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the redemption date, and the balance for general corporate purposes. The 9.500% Senior Secured Notes were issued in connection with the Acquisition by our wholly owned subsidiary, Thermon Industries, Inc. The proceeds were used to fund a portion of the purchase price for the Acquisition.

We will not receive any proceeds from the shares sold by the selling stockholders.

For additional information regarding our liquidity and outstanding indebtedness, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

A $1.00 increase (decrease) in the assumed initial public offering price per share would increase (decrease) the estimated net proceeds to us by approximately $3.7 million (or approximately $5.0 million if the underwriters exercise their option to purchase additional shares of common stock in full), assuming that the number of shares of common stock sold by us, as set forth on the cover page of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. A 1.0 million share increase (decrease) in the number of shares of common stock sold by us in this offering would increase (decrease) the net proceeds to us from this offering by approximately $12.1 million, assuming an initial public offering price per share equal to the midpoint of the estimated price range set forth on the cover page of this prospectus and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us.

DIVIDEND POLICY

Since the consummation of the CHS Transactions on April 30, 2010, we have not declared or paid any cash dividends on our capital stock, and we do not currently intend to pay any cash dividends on our common stock. We currently intend to retain earnings to finance the growth and development of our business and for working capital and general corporate purposes. Any payment of dividends will be at the discretion of our board of directors and will depend upon earnings, financial condition, capital requirements, level of indebtedness, contractual restrictions with respect to payment of dividends, restrictions imposed by applicable law and other factors. In particular, the indenture governing our senior secured notes and our revolving credit facility limit our ability to pay dividends from cash generated from operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

CAPITALIZATION

The following table sets forth our total capitalization as of December 31, 2010:

- on an actual basis; and
- on an as adjusted basis to give effect to (i) the adoption of our second amended and restated certificate of incorporation immediately prior to this offering; (ii) the redemption of $21.0 million aggregate principal amount of our senior secured notes at a redemption price of 103% of the principal amount thereof, which is scheduled to occur on April 29, 2011; and (iii) the issuance and sale by us of shares of our common stock in this offering at an assumed initial public offering price of $13.00 per share, the midpoint range set forth on the cover of this prospectus, after deducting the underwriting discounts and commissions and estimated offering expenses payable by us and the application of the net proceeds to us from this offering as described in "Use of Proceeds."

The table below should be read in conjunction with "Use of Proceeds," "Unaudited Pro Forma Condensed Consolidated Financial Statements," "Selected Historical and Pro Forma Consolidated Financial and Operating Data," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements and accompanying notes included elsewhere in this prospectus.

	As of December 31, 2010	
	Actual	As Adjusted(1)
	(unaudited) (in thousands)	
Total debt:		
U.S. commercial and standby letter of credit facility(2)	$ —	$ —
Revolving credit facility(3)	—	—
Senior secured notes	210,000	168,000
Total debt	$ 210,000	$ 168,000
Shareholders' equity(4):		
Common stock, $0.001 par value per share; 150,000,000 shares authorized and 24,933,407 shares issued and outstanding, actual; 150,000,000 shares authorized and 28,933,407 shares issued and outstanding, as adjusted	25	29
Preferred stock, $0.001 par value per share; no shares authorized and no shares issued and outstanding, actual; 10,000,000 shares authorized and no shares issued and outstanding, as adjusted	—	—
Paid in capital	130,211	176,067
Accumulated comprehensive income	1,786	1,786
Accumulated deficit(5)	(10,960)	(20,313)
Total stockholders' equity	121,062	157,569
Total capitalization(6)	$ 331,062	$ 325,569

(1) A $1.00 increase or decrease in the assumed initial public offering price per share would increase or decrease additional paid-in capital by $3.7 million (or by $5.0 million if the underwriters exercise their option to purchase additional shares of common stock in full) and would decrease or increase total shareholders' equity and would increase or decrease total capitalization each by $3.7 million (or by $5.0 million if the underwriters exercise their option to purchase additional shares of common stock in full), after deducting the underwriting discounts and commissions and the estimated offering expenses payable by us. An increase or decrease of 1.0 million shares in the number of shares offered by us would decrease or increase additional paid-in capital by

$12.1 million, and would decrease or increase total shareholders' equity and would increase or decrease total capitalization each by approximately $12.1 million, assuming the assumed initial public offering price of $13.00 per share, the midpoint of the range set forth on the front cover of this prospectus, remains the same and after deducting the underwriting discounts and commissions and estimated offering expenses payable by us. The pro forma as adjusted information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering.

(2) Our U.S. subsidiaries have an open credit facility with JPMorgan Chase Bank, N.A. secured by cash used to obtain commercial and standby letters of credit and to support foreign exchange contracts. As of December 31, 2010, there was $0.3 million in standby letters of credit outstanding under the facility. In addition, as of December 31, 2010, the U.S. subsidiaries had $3.0 million in performance bonds outstanding with a surety company.

(3) Consists of a $40.0 million senior secured revolving credit facility of which up to $20.0 million is available to our Canadian subsidiary, subject to borrowing base availability. As of December 31, 2010, we had $34.8 million of capacity available under our revolving credit facility and zero borrowings. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Revolving credit facility and senior secured notes."

(4) Reflects (i) a $129.2 million equity investment consisting of approximately $112.5 million from our sponsors and approximately $16.7 million of reinvestments from certain members of management and key employees of the Company, together with certain former managers of the Company, who we refer to collectively as the management investors, that were made to the Company (the Company applied the cash contribution towards the financing of the Acquisition and related CHS Transactions), (ii) the elimination of the historical members' equity accounts resulting from the CHS Transactions, (iii) net loss of $(11.0) million for the period from May 1, 2010 through December 31, 2010, (iv) currency translation adjustment that positively impacted shareholders' equity by $1.8 million, and (v) a $0.3 million investment from certain members of our board of directors and $0.7 million in stock-based compensation expense. We refer to our sponsors and the management investors collectively as the equity investors.

(5) Reflects (i) $1.3 million in premium payments to redeem senior secured notes, (ii) $7.4 million in management services termination fees and (iii) $736,000 in prepaid expenses paid to one of our sponsors.

(6) As of March 30, 2011, our cash and cash equivalents had increased by $15.0 million from December 31, 2010, which is not reflected in total capitalization.

DILUTION

If you invest in our common stock in this offering, your ownership interest will be immediately diluted to the extent of the difference between the initial public offering price per share of our common stock and the net tangible book value per share of our common stock immediately after this offering. Dilution results from the fact that the per share offering price of the common stock is substantially in excess of the book value per share attributable to the existing stockholders for the presently outstanding stock.

Our net tangible book value at December 31, 2010 was $(167.2) million, and our net tangible book value per share was $(6.70). Net tangible book value per share before the offering has been determined by dividing net tangible book value (total book value of tangible assets less total liabilities) by the number of shares of common stock outstanding after the automatic conversion of our common stock into one class of voting stock.

After giving effect to the sale of our common stock in this offering at an assumed initial public offering price of $13.00 per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the underwriting discount and estimated offering expenses payable by us, our pro forma net tangible book value at December 31, 2010 would have been $(121.3) million, or $(4.19) per share. This represents an immediate increase in net tangible book value per share of $2.51 to the existing stockholders and dilution in net tangible book value per share of $17.19 to new investors who purchase shares in the offering. The following table illustrates this per share dilution to new investors:

Assumed initial public offering price per share	$	13.00
Net tangible book value per share as of December 31, 2010		(6.70)
Increase per share attributable to new investors in this offering		2.51
Pro forma net tangible book value per share after giving effect to this offering		(4.19)
Dilution in pro forma net tangible book value per share to new investors in this offering	$	17.19

The dilution information discussed above is illustrative only and will change based on the actual initial public offering price and other terms of this offering. If the underwriters exercise their option to purchase additional shares of common stock in full, the pro forma net tangible book value per share after giving effect to this offering would be $(3.43) per share, and the dilution in pro forma net tangible book value per share to new investors in this offering would be $16.43 per share, in each case calculated as described above.

The following table summarizes, on the same pro forma basis as of December 31, 2010, the total number of shares of common stock purchased from us, the total consideration paid to us and the average price per share paid by the existing stockholders and by new investors purchasing shares in this offering, before deducting the underwriting discounts and commissions and estimated offering expenses payable by us (amounts in thousands, except percentages and per share data):

	Shares Purchased		Total Consideration 000s		Average Price
	Number	Percent	Amount	Percent	Per Share
Existing stockholders	24,933,407	86%	$ 129,502	71%	$ 5.19
New investors	4,000,000	14	52,000	29	13.00
Total	28,933,407	100%	$ 181,502	100%	

If the underwriters exercise their option to purchase additional shares of common stock in full, our existing stockholders would own 82% and our new investors would own 18% of the total number of shares of our common stock outstanding immediately after this offering, and our existing stockholders

would have paid $129.5 million, or 65%, of the total consideration and new investors would have paid $70.5 million, or 35% of the total consideration, in each case calculated as described above.

The information in the preceding table has been calculated using an assumed public offering price of $13.00 per share, which is the midpoint of the price range set forth on the cover page of this prospectus. A $1.00 increase or decrease in the assumed initial public offering price per share would increase or decrease, respectively, the consideration paid to us by new investors and in total by approximately $4.0 million (or by $5.0 million if the underwriters exercise their option to purchase additional shares of common stock in full) and the percentage of total consideration paid by new investors by approximately 1%, and would decrease or increase, respectively, the percentage of total consideration paid by existing stockholders by approximately 1%, in each case calculated as described above and assuming that the number of shares sold by us and the selling stockholders, as set forth on the cover page of this prospectus, remains the same. A 1.0 million share increase or decrease in the number of shares of common stock that we sell in this offering would increase or decrease, respectively, the percentage of shares purchased by new investors by approximately 3%, the amount of consideration paid by new investors and in total by approximately $13.0 million and the percentage of total consideration paid by new investors by approximately 4% and would decrease or increase, respectively, the percentage of shares purchased by existing stockholders by approximately 3% and the percentage of total consideration paid by existing stockholders by approximately 4%, in each case calculated as described above.

The tables above exclude the following shares:

- 2,757,524 shares of our common stock issuable upon the exercise of options outstanding under our existing restricted stock and stock option plan (2,648,402 of which were outstanding as of December 31, 2010); and

- 2,893,341 shares of our common stock reserved for issuance under our 2011 Long-Term Incentive Plan, which we refer to as our LTIP, 122,000 of which we intend to grant to our executive officers and certain other employees concurrently with the pricing of this offering with an exercise price equal to the initial public offering price. See "Compensation Discussion and Analysis—2011 Long-Term Incentive Plan."

To the extent that any of these options are exercised, there will be further dilution to new investors participating in this offering. Assuming the exercise in full of the 2,648,402 stock options outstanding as of December 31, 2010, the pro forma net tangible book value per share after giving effect to this offering would be $(3.41) per share, representing an immediate increase in net tangible book value of $3.30 per share to existing stockholders and an immediate dilution to net tangible book value of $16.41 per share to new investors, and our existing stockholders would own 79% and our new investors would own 21% of the total number of shares of our common stock outstanding immediately after this offering, and our existing stockholders would have paid $129.5 million, or 66%, of the total consideration and new investors would have paid $65.8 million, or 34% of the total consideration, in each case calculated as described above.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The following unaudited pro forma condensed consolidated balance sheet as of December 31, 2010 and unaudited pro forma condensed consolidated statements of operations for the year ended March 31, 2010, the period from April 1, through April 30, 2010 ("predecessor"), the period from May 1, through December 31, 2010 ("successor") and the nine months ended December 31, 2009 ("predecessor") are based on our historical consolidated financial statements and give effect to the CHS Transactions and this offering, including the issuance by us of 4,000,000 shares of our common stock at a price of $13.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, the use of proceeds as set forth under "Use of Proceeds" and the termination of our management fee, as if they had occurred as of April 1, 2009.

The unaudited pro forma condensed consolidated financial data includes unaudited pro forma adjustments that are directly attributable to the CHS Transactions and this offering. In addition, with respect to the unaudited pro forma condensed consolidated financial statements, the unaudited pro forma adjustments are expected to have a continuing impact on the consolidated results.

Pro forma adjustments were made to reflect the:

- increase in amortization expense for changes in the estimated fair values of the acquired intangible assets of the Company;
- increase in interest expense resulting from additional indebtedness incurred in connection with our senior secured notes and our revolving credit facility, along with the amortization of debt issuance costs on our senior secured notes, net of the reduction in interest expense resulting from the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011 and the repayment of $21.0 million of our outstanding indebtedness using the net proceeds from this offering and assuming an offering price of $13.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus;
- increase in the number of basic shares outstanding by 4,000,000 and the number of diluted shares outstanding by 5,589,041;
- elimination of the transaction expenses related to the Acquisition;
- elimination of the management fee which is being terminated in connection with this offering; and
- the income tax effect of the pro forma adjustments.

The Acquisition has been accounted for as a purchase in accordance with the applicable Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, guidance. We have allocated the excess of the purchase price over the net assets acquired to intangible assets and goodwill. The preliminary allocation to intangible assets and goodwill is based on management's best estimate of the fair value of the intangible assets (including trademarks, developed technology, customer list, backlog, certifications and non-compete agreements) and is consistent with the methodology applied during 2007 in connection with the Audax Transaction. We have not allocated any of the excess purchase price to the acquired tangible assets or liabilities assumed, except for inventory, but rather utilized their current carrying value as we believe these carrying values approximate fair value, although we have not completed a third party valuation of the acquired assets or liabilities. The pro forma data presented will be revised based upon final calculations and the resolution of purchase price adjustments as additional information becomes available. The final allocation of the purchase price in the Acquisition will be determined at a later date and depends on a number of factors, including the final valuation of the tangible and identifiable intangible assets acquired and liabilities assumed in the Acquisition. An independent third-party appraiser will perform a valuation of these assets as of the

closing date of the Acquisition, and upon a final valuation the purchase allocation will be adjusted. Such final adjustments, including changes to depreciation and amortization resulting from the allocation of purchase price to amortizable tangible and intangible assets, may be material. This valuation will be based on the net tangible and intangible assets and liabilities as of the closing date of the Acquisition.

We believe that the assumptions used to derive the unaudited pro forma condensed consolidated financial data are reasonable given the information available; however, such assumptions are subject to change and the effect of any such change could be material. The unaudited pro forma condensed consolidated financial data should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the historical consolidated financial statements and related notes of Thermon Holdings, LLC and Thermon Group Holdings, Inc., as applicable, included elsewhere in this prospectus. The unaudited pro forma condensed consolidated financial data is presented for informational purposes only and is not intended to represent or be indicative of the consolidated results of operations or financial position that we would have reported had the CHS Transactions or this offering been completed as of the dates and for the periods presented, and should not be taken as representative of our consolidated results of operations or financial condition following the completion of the CHS Transactions or this offering.

Thermon Group Holdings, Inc.

Unaudited Pro Forma Condensed Consolidated Balance Sheet

As of December 31, 2010

	Thermon Historical(a)	Offering Adjustments	Thermon Pro Forma	
		(dollars in thousands)		
Assets				
Current assets:				
Cash and cash equivalents	$ 35,201	$ (4,757)(a)	$ 30,444	(b)
Accounts receivable, net of allowance for doubtful accounts of $1,331 and $1,835 as of December 31, 2010 and March 31, 2010, respectively	47,073	—	47,073	
Notes receivable and other	—	—	—	
Inventories, net	27,600	—	27,600	
Costs and estimated earnings in excess of billings on uncompleted contracts	1,245	—	1,245	
Income taxes receivable	1,999	—	1,999	
Prepaid expenses and other current assets	7,883	(736)(c)	7,147	
Deferred income taxes	1,421	—	1,421	
Total current assets	122,422	(5,493)	116,929	
Property, plant and equipment, net	23,404	—	23,404	
Goodwill	116,626	—	116,626	
Intangible assets, net	159,346	—	159,346	
Debt issuance costs, net	12,263	—	12,263	
	$ 434,061	$ (5,493)	$ 428,568	
Liabilities and Shareholder's/Members' Equity				
Current liabilities:				
Accounts payable	$ 16,319	$ —	$ 16,319	
Accrued liabilities	16,789	—	16,789	
Advance payment	10,248	—	10,248	
Obligations due to settle the CHS Transaction	3,754	—	3,754	
Billings in excess of costs and estimated earnings on uncompleted contracts	—	—	—	
Income taxes payable	129	—	129	
Total current liabilities	47,239	—	47,239	
Long-term debt, net of current maturities	210,000	(42,000)(a)	168,000	
Deferred income taxes	53,916	—	53,916	
Other noncurrent liabilities	1,844	—	1,844	
Common stock, 24,933,407 shares issued and outstanding $.001 par value, 150,000,000 authorized	25	4 (a)	29	
Additional paid-in capital	130,211	45,856 (a)	176,067	
Foreign currency translation adjustment	1,786	—	1,786	
Accumulated deficit	(10,960)	(9,353)(d)	(20,313)	
Shareholder's/Members' equity	121,062	36,507	157,569	
	$ 434,061	$ (5,493)	$ 428,568	

See accompanying notes.

Thermon Holdings, LLC

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Year Ended March 31, 2010

	Thermon Historical(f)	CHS Transaction Adjustments	Offering Adjustments	Total Pro Forma Adjustments	Thermon Pro Forma
	(dollars in thousands, except share and per share data)				
Sales	$ 192,713	$ —	$ —	$ —	$ 192,713
Cost of sales	101,401	—	—	—	101,401
Gross profit	91,312	—	—	—	91,312
Operating Expenses					
Management fees	862	1,250 (g)	(2,000)(l)	(750)	112
Other marketing, general and administrative and engineering	46,481	—	—	—	46,481 (n)
Amortization of other intangible assets	2,426	9,057 (h)	—	9,057	11,483
Income from operations	41,543	(10,307)	2,000	(8,307)	33,236
Other income/(expense)					
Interest income	6	—	—	—	6
Interest expense	(7,357)	(14,974)(i)	3,990 (m)	(10,984)	(18,341)
Gain/(loss) on disposition of property, plant and equipment	(1)	—	—	—	(1)
Miscellaneous income/(expense) and costs related to the CHS Transactions	(1,285)	309 (j)	—	309	(976)
	(8,637)	(14,665)	3,990	(10,675)	(19,312)
Income before provision for income taxes	32,906	(24,972)	5,990	(18,982)	13,924
Income taxes	(13,966)	8,740 (k)	(2,097)	6,643	(7,323)
Net income/(loss)	$ 18,940	$ (16,232)	$ 3,893	$ 12,339	$ 6,601
Net income (loss) per share:					
Basic	$ 401.23				$ 0.23
Diluted	$ 362.47				$ 0.22
Weighted-average share outstanding:(e)					
Basic	47,205				28,887,987
Diluted	52,253				30,477,028

See accompanying notes

Thermon Group Holdings, Inc.

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Nine Months Ended December 31, 2010

	Successor For the Period From May 1, through December 31, 2010(a)	Predecessor For the Period From April 1 through April 30, 2010(a)	CHS Transaction Adjustments	Offering Adjustments	Total Pro Forma Adjustments	Thermon Pro Forma
	(dollars in thousands, except share and per share data)					
Sales	$ 165,905	$ 13,063	$ —	$ —	$ —	$ 178,968
Cost of sales	98,795	6,447	(7,519)(o)	—	(7,519)	97,723
Gross profit	67,110	6,616	7,519	—	7,519	81,245
Operating Expenses						
Management fees	1,412	79	104 (g)	(1,500)(h)	(1,396)	95
Other marketing, general and administrative and engineering	35,815	4,184	—	—	—	39,999(n)
Amortization of other intangible assets	15,126	215	(6,729)(h)	—	(6,729)	8,612
Income from operations	14,757	2,138	14,144	1,500	15,644	32,539
Other income/expense						
Interest income	10	7	—	—	—	17
Interest expense	(17,111)	(6,229)	6,391 (i)	2,992 (i)	9,384	(13,957)
Miscellaneous income/(expense) and costs related to the CHS Transactions	(7,689)	(13,617)	21,605 (j)	—	21,605	299
	(24,790)	(19,839)	27,996	2,992	30,989	(13,641)
Income before provision for income taxes	(10,033)	(17,701)	42,140	4,493	46,633	18,899
Income taxes	(927)	17,434	(14,749)(k)	(1,573)	(16,322)	185
Net income/(loss)	$ (10,960)	$ (267)	$ 27,391	$ 2,920	$ 30,312	$ 19,084
Net income (loss) per share:						
Basic	$ (0.44)	$ (5.11)				$ 0.66
Diluted	$ (0.44)	$ (5.11)				$ 0.63
Weighted-average shares outstanding (d):						
Basic	24,887,987	52,253				28,887,987
Diluted	26,377,570	52,253				30,477,028

See accompanying notes

Thermon Group Holdings, Inc.

Unaudited Pro Forma Condensed Consolidated Statement of Operations

Nine Months Ended December 31, 2009

	Thermon Historical(a)	CHS Transaction Adjustments	Offering Adjustments	Total Pro Forma Adjustments	Thermon Pro Forma
		(dollars in thousands, except share and per share data)			
Sales	$ 142,905	$ —	$ —	$ —	$ 142,905
Cost of sales	73,966	—	—	—	73,966
Gross profit	68,939	—	—	—	68,939
Operating Expenses					
Management fees	671	937 (d)	(1,500)(i)	(563)	(108)
Other marketing, general and administrative and engineering	33,099	—	—	—	33,099
Amortization of other intangible assets	1,803	6,809	—	6,809	8,612
Income from operations	33,366	(7,746)	1,500	(6,246)	27,120
Other income/expense					
Interest income	54	—	—	—	54
Interest expense	(5,570)	(11,175)(i)	2,993 (m)	(8,182)	(13,752)
Miscellaneous income/(expense)	(881)	—	—	—	(881)
	(6,397)	(11,175)	2,993	(8,182)	(14,579)
Income before provision for income taxes	26,969	(18,921)	4,493	(14,428)	12,541
Income taxes	(12,241)	6,622 (k)	(1,572)	5,050	(7,191)
Net income/(loss)	$ 14,728	$ (12,299)	$ 2,921	$ 9,378	$ 5,350
Net income (loss) per share:					
Basic	$ 312.00				$ 0.19
Diluted	$ 281.86				$ 0.18
Weighted-average shares outstanding (d):					
Basic	47,205				28,887,987
Diluted	52,253				30,477,028

See accompanying notes

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements:

Note 1—Basis of Presentation

On March 26, 2010, Thermon Group, Inc., which we refer to as TGI, entered into a stock purchase agreement with Thermon Holdings, LLC, which we refer to as Seller, and Thermon Holding Corp., which we refer to as THC, Seller's wholly owned subsidiary, providing for the Acquisition. Upon the closing of the Acquisition on April 30, 2010, THC became a wholly owned subsidiary of TGI, which in turn is a wholly owned subsidiary of the Company. The Company is currently owned by the equity investors. The purchase price was $320.9 million (subject to finalization of a post-closing income tax adjustment and restricted cash payment obligations of approximately $1.8 million).

The following table summarizes the estimated fair value of the assets and liabilities assumed:

Assets acquired:	
Cash and cash equivalents	$ 2,852
Accounts receivable, net	40,595
Inventories, net	32,325
Other current assets	10,676
Property, plant and equipment	23,983
Identifiable intangible assets	173,711
Goodwill	115,775
Other noncurrent assets	284
Total assets	400,201
Liabilities assumed:	
Current liabilities	21,281
Other long-term debt	
Noncurrent deferred tax liability	56,757
Other noncurrent liabilities	1,263
Total liabilities	79,301
Purchase price	320,900
Less: cash	(2,852)
Purchase price net of cash	$ 318,048

We allocated the purchase price in connection with the Acquisition to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the purchase price over these fair values is recorded as goodwill. We engaged an independent third-party appraisal firm to assist us in determining the fair values of assets acquired and liabilities assumed. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Our management ultimately takes responsibility for valuations assigned to the assets and liabilities assumed in connection with the purchase combination. The significant purchased intangible assets recorded by us include trademarks, customer relationships, backlog and developed technology. See note 6 to our unaudited consolidated financial statements for the nine months ended December 31, 2010 for further detail regarding the adjustments to net tangible and intangible assets and liabilities.

The accompanying unaudited pro forma condensed consolidated financial statements have been prepared to give effect to the CHS Transactions and this offering and related transactions, including the issuance by us of 4,000,000 shares of our common stock at a price of $13.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, the use of proceeds as set

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements:—(continued)

Note 1—Basis of Presentation—(continued)

forth under "Use of Proceeds", the termination of the management fee and the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011, as if they had occurred as of April 1, 2009. Management believes the assumptions used to prepare these unaudited pro forma condensed consolidated financial statements provide a reasonable basis for presenting the significant effects directly attributable to the transaction.

Note 2—Pro Forma Adjustments

(a) Represents the net decrease in cash resulting from this offering and related transactions, calculated as follows:

Net proceeds from the issuance of shares by us in this offering	$ 45,860
Use of cash on hand to redeem senior secured notes, including premiums, scheduled to occur on April 29, 2011	(21,630)
Use of net proceeds from this offering to redeem senior secured notes, including premiums	(21,630)
Use of cash on hand to pay management services termination fee	(7,357)
	$ (4,757)

(b) Pro forma cash is calculated based on the December 31, 2010 balance sheet. Pro forma cash excludes $15.0 million of additional cash generated between December 31, 2010 and March 30, 2011.

(c) Represents an adjustment in prepaid expenses paid to one of our sponsors due to elimination of management fees.

(d) Represents an adjustment for $1.3 million in premium payments to redeem senior secured notes, $7.4 million in management services termination fees and $736,000 in prepaid expenses paid to one of our sponsors.

(e) The weighted-average shares outstanding (basic and diluted) have been presented on a pro forma basis as if the current capital structure, including the effect of the common shares to be issued and the dilutive effect of options issued during the nine months ended December 31, 2010, was in place for all periods presented. The predecessor capital structure was eliminated as a result of the CHS Transaction and therefore has no bearing on the pro forma weighted average shares outstanding. We have applied the weighted average shares outstanding at December 31, 2010 for all periods presented. We believe that this presentation is useful to investors as it provides a comparable pro forma net income per share for all periods presented.

(f) Represents our historical consolidated results of operations (i) as of December 31, 2010, and (ii) for the year ended March 31, 2010, the period from April 1, through April 30, 2010 ("predecessor"), the period from May 1, through December 31, 2010 ("successor") and the nine months ended December 31, 2009 ("predecessor"), as applicable.

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements:—(continued)

Note 2—Pro Forma Adjustments—(continued)

(g) Represents the net increase in management fees resulting from the CHS Transactions, calculated as follows:

	Year Ended March 31, 2010	Nine Months Ended December 31, 2009	Nine Months Ended December 31, 2010
	(dollars in thousands)		
Sponsors Management Fee(i)	$ 2,000	$ 1,500	$ 167
Less: Historical Management Fee(ii)	(750)	(563)	(63)
Net adjustment to Management Fee	$ 1,250	$ 937	$ 104

(i) Represents an annual management fee of $2.0 million, not including expenses, that we are required to pay CHS for certain financial, strategic, advisory and consulting services (see "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee").

(ii) Represents the elimination of historical management fee paid to Audax for the respective time periods.

(h) Represents the incremental amortization expense for the unaudited pro forma fair value adjustment to the intangible assets of the Company (including trademarks, developed technology, customer list and certifications), amortized on a straight line basis over estimated useful lives ranging from 10 years to 20 years (consistent with the historical useful lives of the intangible assets and consistent with the assigned estimated useful lives from the acquisition of the Company by Audax). The incremental amortization expense does not include additional amortization for backlog related to contracts with estimated useful lives of less than one year as these are not considered recurring in nature due to their short estimated useful lives. For additional information regarding the determination of fair value estimates, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates."

Other intangible assets at December 31, 2010 consist of the following:

	Estimated Life	Net Carrying Amount
Trademarks	—	$ 48,280
Developed technology	20 years	10,614
Customer list	10 years	97,953
Backlog	3-9 months	—
Certification	—	504
Other	—	1,995
Total		$ 159,346

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements:—(continued)

Note 2—Pro Forma Adjustments—(continued)

(i) Represents the net increase in interest expense from the incurrence of indebtedness in connection with the CHS Transactions, calculated as follows:

	Year Ended March 31, 2010	Nine Months Ended December 31, 2009	Nine Months Ended December 31, 2010
	(dollars in thousands)		
Interest expense on our senior secured notes(i)	$ (19,950)	$ (14,963)	$ (1,663)
Interest expense on our revolving credit facility(ii)	(300)	(225)	(25)
Amortization of debt issuance costs related to our senior secured notes and our revolving credit facility(iii)	(2,081)	(1,557)	(173)
Pro forma additional interest expense	(22,331)	(16,745)	(1,861)
Elimination of historical interest expense(iv)	7,357	5,570	8,252
Net adjustment to interest expense	$ (14,974)	$ (11,175)	$ 6,391

(i) Represents the increase in interest expense related to our senior secured notes in the aggregate principal amount of $210.0 million, bearing an interest rate of 9.500% per annum;

(ii) Represents the increase in interest expense related to the undrawn portion of the $40.0 million revolving credit facility, bearing a commitment fee of 0.75% per annum.

(iii) Represents the straight-line amortization of debt issuance costs related to our senior secured notes and our revolving credit facility over a seven-year and five-year period, respectively.

(iv) The adjustment related to the nine months ended December 31, 2010 includes non-recurring debt transaction costs that were recorded as interest expense during the periods.

(j) Represents an adjustment to miscellaneous expense for non-recurring expenses directly related to the CHS Transactions which currently are reflected in the historical financial statements included elsewhere in this prospectus.

(k) Represents the adjustment to income taxes to reflect the unaudited pro forma adjustments attributed to the CHS Transactions and this offering at a statutory tax rate of 35.0%.

(l) Represents the elimination of the management fees, which are being terminated concurrently with the consummation of this offering. In connection with such termination, we will pay a cash termination fee in the aggregate amount of $7.4 million to our sponsors, which will be recorded as a one-time cash charge. See "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee."

(m) Represents a $4.0 million net annual decrease in interest expense from the reduction in our outstanding indebtedness by redeeming $21.0 million aggregate principal amount of our senior secured notes, which is scheduled to occur on April 29, 2011, and using the net proceeds to us as set forth under "Use of Proceeds" from the assumed sale by us of 4,000,000 shares of our common stock at a price of $13.0 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus.

(n) Pursuant to outstanding stock option agreements with employees, all outstanding option awards shall vest and become exercisable immediately prior to the consummation of this offering. We

Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements:—(continued)

Note 2—Pro Forma Adjustments—(continued)

estimate that the stock-based compensation expense for the remainder of fiscal 2011 will be $0.6 million with quarterly stock-based compensation charges continuing thereafter. Assuming this offering is completed in the first quarter of fiscal 2012, we estimate the stock-based compensation expense will be in the range of $5.0 million to $6.0 million.

(o) Represents an adjustment to cost of revenues for the non-recurring fair value adjustment to inventory recorded at acquisition, which currently is reflected in the historical financial statements included elsewhere in this prospectus.

SELECTED HISTORICAL AND PRO FORMA CONSOLIDATED FINANCIAL AND OPERATING DATA

The following tables set forth certain selected historical and pro forma consolidated financial and operating data as of and for the fiscal years ended March 31, 2006, March 31, 2007, March 31, 2008, March 31, 2009 and March 31, 2010 and for the nine months ended December 31, 2009 and December 31, 2010, as of December 31, 2010 and certain pro forma financial information for the fiscal year ended March 31, 2010 and for the nine months ended December 31, 2009 and December 31, 2010. The data set forth below should be read in conjunction with the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Capitalization," and "Unaudited Pro Forma Condensed Consolidated Financial Statements," each of which is contained elsewhere in this prospectus, and our consolidated financial statements and the notes thereto for the fiscal years ended March 31, 2008, March 31, 2009 and March 31, 2010 and for the nine months ended December 31, 2009 and December 31, 2010, each of which is contained elsewhere in this prospectus.

In this prospectus, we have included the condensed consolidated financial statements of Thermon Group Holdings, Inc. as of December 31, 2010 and for the period from May 1, 2010 through December 31, 2010 ("successor") and the condensed consolidated financial statements of Thermon Holdings, LLC for the fiscal years ended March 31, 2010 and March 31, 2009, for the period from August 30, 2007 through March 31, 2008, for the nine months ended December 31, 2009 ("predecessor"), and for the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"). Concurrent with the consummation of the Acquisition on April 30, 2010, Thermon Holdings, LLC no longer owned any interest in us, and, beginning with the period from May 1, 2010 through December 31, 2010, we reported the consolidated financial statements of Thermon Group Holdings, Inc. We do not anticipate that there would have been any material difference in our consolidated financial statements and notes thereto for the fiscal years ended March 31, 2008, March 31, 2009 and March 31, 2010 and for the nine months ended December 31, 2009 had such statements been prepared for Thermon Group Holdings, Inc., except as it relates to purchase accounting in connection with the Acquisition.

The presentation of fiscal 2008 includes the combined results of the pre-predecessor and predecessor owners for fiscal 2008 and the predecessor and successor owners for the nine months ended December 31, 2010, respectively. We have presented the combination of these respective periods because it provides an easier-to-read discussion of the results of operations and provides the investor with information from which to analyze our financial results in a manner that is consistent with the way management reviews and analyzes our results of operations. In addition, the combined results provide investors with the most meaningful comparison between our results for prior and future periods. Please refer to notes 1 and 2 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the year ended March 31, 2008 and the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the results for the pre-predecessor and predecessor and predecessor and successor periods.

The unaudited pro forma data have been prepared to give effect to the CHS Transactions, this offering and the application of the net proceeds therefrom as if they had occurred on April 1, 2009. Assumptions underlying the pro forma adjustments are described in the section entitled "Unaudited Pro Forma Condensed Consolidated Financial Statements—Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements" contained elsewhere in this prospectus. The pro forma adjustments are based upon available information and certain assumptions that we believe are reasonable. Please see "Unaudited Pro Forma Condensed Consolidated Financial Statements—Notes to the Unaudited Pro Forma Condensed Consolidated Financial Statements" for a more detailed discussion of how pro forma adjustments are presented in our unaudited pro forma condensed consolidated financial statements. The unaudited pro forma condensed consolidated data is provided

for informational purposes only. The unaudited pro forma data do not purport to represent what our results of operations actually would have been if the CHS Transactions, this offering and the application of the net proceeds therefrom had occurred at any date, nor do such data purport to project the results of operations for any future period.

	Pre-Predecessor		Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)	Predecessor			Predecessor/ Successor Combined (Non-GAAP) (2)
	Year Ended March 31,					Nine Months Ended December 31,	
	2006	2007	2008	2009	2010	2009	2010
	(dollars in thousands, except share and per share data)						
Consolidated Statements of Operations Data:							
Sales	$ 120,362	$ 121,410	$ 185,811	$ 202,755	$ 192,713	$ 142,905	$ 178,968
Cost of sales	64,421	66,102	102,946	105,456	101,401	73,966	97,723
Purchase accounting adjustments(3)	—	—	7,146	—	—	—	7,519
Gross profit	$ 55,941	$ 55,308	$ 75,719	$ 97,299	$ 91,312	$ 68,939	$ 73,726
Operating expenses:							
Marketing, general and administrative and engineering	38,837	37,361	46,569	48,982	46,481	33,099	40,078
Management fees	—	—	475	825	862	671	1,412
Amortization of intangible assets	—	—	6,716	6,627	2,426	1,803	15,341
Income from operations	$ 17,104	$ 17,947	$ 21,959	$ 40,865	$ 41,543	$ 33,366	$ 16,895
Interest income	35	64	167	94	6	54	17
Interest expense	(935)	(882)	(8,374)	(9,625)	(7,357)	(5,570)	(23,340)(4)
Gain/(loss) on disposition of property, plant and equipment	74	428	(116)	(18)	(1)	—	—
Success fees to owners related to the CHS Transactions(5)	—	—	—	—	—	—	(7,738)
Miscellaneous income/(expense) (5)	79	(1,400)	(12,937)	(3,120)	(1,285)	(881)	(13,568)
Income (loss) from continuing operations before provision for income taxes	$ 16,357	$ 16,157	$ 699	$ 28,196	$ 32,906	$ 26,969	$ (27,734)
Income tax benefit (expense)	(5,148)	(5,429)	(21,712)	(1,795)	(13,966)	(12,241)	16,507
Income (loss) from continuing operations	$ 11,209	$ 10,728	$ (21,013)	$ 26,401	$ 18,940	$ 14,728	$ (11,227)
Discontinued operations:							
Income from operations (less applicable income tax provision							

(benefit) of ($79) and $229 in 2006 and 2007)	(153)	446	—	—	—	—	—
Gain on disposal of discontinued operations (less applicable income tax of $112 in 2007)	—	219	—	—	—	—	—
Net income (loss) (6)	$ 11,056	$ 11,393	$ (21,013)	$ 26,401	$ 18,940	$ 14,728	$ (11,227)

	Pre-Predecessor		Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)	Predecessor			Predecessor/ Successor Combined (Non-GAAP)(2)
	Year Ended March 31,					Nine Months Ended December 31,	
	2006	2007	2008	2009	2010	2009	2010
	(dollars in thousands, except share and per share data)						
Pro Forma Statement of Operations Data(7):							
Pro forma adjustments to net income (loss):							
Net income (loss)					$ 18,940	$ 14,728	$ (11,227)
Purchase accounting adjustment					—	—	7,519
Management fees					750	563	1,396
Amortization of purchase intangibles					(9,057)	(6,809)	6,729
Net interest expense					(10,984)	(8,182)	9,384
CHS Transactions costs					309	—	21,605
Tax effect of adjustments					6,643	5,050	(16,322)
Pro forma net income (loss)					6,601	5,350	19,084
Pro forma net income per share							
Basic					$ 0.23	$ 0.19	$ 0.66
Diluted					$ 0.22	$ 0.18	$ 0.63
Pro forma weighted average shares outstanding							
Basic					28,887,987	28,887,987	28,887,987
Diluted					30,477,028	30,477,028	30,477,028
Other Financial Data:							
Adjusted gross margin(8)	46.5%	45.5%	44.6%	48.0%	47.4%	48.2%	45.4%
Adjusted EBITDA(9)	$ 18,608	$ 19,548	$ 38,023	$ 48,322	$ 46,555	$ 36,379	$ 43,772
Capital expenditures	1,246	6,432	5,315	2,708	1,587	976	1,246
Operating Data:							
Backlog at end of period(10)	$ 34,093	$ 52,229	$ 77,497	$ 66,779	$ 82,459	$ 79,473	$ 79,749

	Pre-Predecessor		Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)	Predecessor		Predecessor/Successor Combined (Non-GAAP)	
	As of March 31,					As of December 31, 2010	
	2006	2007	2008	2009	2010	Actual	As Adjusted(11)
	(dollars in thousands)						
Balance Sheet							

Data:							
Cash and cash equivalents	$ 3,142	$ 2,062	$ 6,474	$ 13,402	$ 30,147	$ 35,201	$ 30,444
Accounts receivable, net	26,524	27,924	45,016	37,874	41,882	47,073	47,073
Inventory, net	14,360	18,766	25,136	25,103	22,835	27,600	27,600
Total assets	65,046	72,769	213,301	193,736	221,116	434,061	428,568
Total debt	15,081	11,809	120,951	99,032	109,249	210,000	168,000
Total shareholders' equity	26,371	30,515	20,345	38,214	55,074	121,062	157,569

(1) The closing of the Audax Transaction on August 30, 2007 established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and equity. This resulted in additional amortization expense, interest expense and tax expense for the period from August 30, 2007 through March 31, 2008 ("predecessor") as compared to the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to our historical consolidated financial statements and notes thereto for the year ended March 31, 2008 included elsewhere in this prospectus for a

separate presentation of the results for the pre-predecessor and predecessor periods in accordance with GAAP.

	For the Period From April 1, Through August 29, 2007 (Pre-Predecessor)	For the Period From August 30, 2007 Through March 31, 2008 (Predecessor)	Year Ended March 31, 2008 (Pre-Predecessor/ Predecessor Combined)
	(dollars in thousands)		
Consolidated Statements of Operations Data:			
Revenues	$ 61,615	$ 124,196	$ 185,811
Cost of revenues	33,801	76,291	110,092
Gross profit	27,814	47,905	75,719
Marketing, general and administrative and engineering	17,182	29,862	47,044
Amortization of intangible assets	—	6,716	6,716
Income from operations	10,632	11,327	21,959
Interest income	13	154	167
Interest expense	(440)	(7,934)	(8,374)
Gain/(loss) on disposition of property, plant and equipment	(75)	(41)	(116)
Miscellaneous income/(expense)	(9,222)	(3,715)	(12,937)
Income (loss) before provision for income taxes	908	(209)	699
Income tax expense	(1,693)	(20,019)	(21,712)
Net income (loss)	$ (785)	$ (20,228)	$ (21,013)
Statement of Cash Flows Data:			
Net cash provided by (used in):			
Operating activities	$ (10,573)	$ 9,328	$ (1,245)
Investing activities	194	(150,150)	(149,956)
Financing activities	10,870	147,280	158,150
Effect of exchange rates on cash and cash equivalents	1,147	16	1,163
Capital expenditures	1,085	4,229	5,315
Depreciation and amortization	654	15,629	16,283

(2) The closing of the Acquisition on April 30, 2010 established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and equity. This resulted in additional amortization expense, interest expense and tax expense for the period from May 1, 2010 through December 31, 2010 ("successor") as compared to the period from April 1, 2010 through April 30, 2010 ("predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to our historical consolidated financial statements and notes thereto for

the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the results for the predecessor and successor periods in accordance with GAAP.

	For the Period From April 1, Through April 30, 2010 (Predecessor)	For the Period From May 1, 2010 Through December 31, 2010 (Successor)	Nine Months Ended December 31, 2010 (Predecessor/ Successor Combined)
		(dollars in thousands)	
Consolidated Statements of Operations Data:			
Revenues	$ 13,063	$ 165,905	$ 178,968
Cost of revenues	6,447	91,276	97,723
Purchase accounting non-cash adjustment		7,519	7,519
Gross profit	6,616	67,110	73,726
Marketing, general and administrative and engineering	4,263	37,227	41,490
Amortization of intangible assets	215	15,126	15,341
Income from operations	2,138	14,757	16,895
Interest income	7	10	17
Interest expense	(6,229)	(17,111)	(23,340)
Success fees to owners related to the CHS Transactions	(4,716)	(3,022)	(7,738)
Miscellaneous income/(expense)	(8,901)	(4,667)	(13,568)
Income (loss) before provision for income taxes	(17,701)	(10,033)	(27,734)
Income tax benefit	17,434	(927)	16,507
Net income (loss)	$ (267)	$ (10,960)	$ (11,227)
Statement of Cash Flows Data:			
Net cash provided by (used in):			
Operating activities	$ (6,402)	$ 26,072	$ 19,670
Investing activities	(1,494)	(319,197)	(320,691)
Financing activities	(19,385)	327,783	308,398
Capital expenditures	(97)	(1,149)	(1,246)
Depreciation and amortization	392	24,040	24,432
Purchase accounting adjustment to cost of goods sold	—	7,519	7,519
Amortization of deferred debt cost to interest expense	2,586	3,365	5,951
Effect of exchange rates on cash and cash equivalents	(14)	543	529

(3) In fiscal 2008, there was a non-cash negative impact of $7.1 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Audax Transaction. In the nine months ended December 31, 2010, there was a similar non-cash negative impact of $7.5 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Acquisition.

(4) Interest expense for the nine months ended December 31, 2010 of $23.3 million included increased interest and amortization related to the CHS Transactions, including interest expense on our revolving credit facility and our senior secured notes issued on April 30, 2010 to finance in part the Acquisition, as well as $2.0 million of unused bridge loan fee amortization, $3.1 million of prepayment fees and $2.6 million of accelerated amortization of the deferred debt costs associated with the repaid debt.

(5) Miscellaneous expense for fiscal 2008 of $(12.9) million consisted primarily of $(8.8) million of non-recurring expenses related to the Audax Transaction, a $(3.9) million employee compensation transaction bonus related to the Audax Transaction, $(0.3) million of foreign exchange transaction losses and $(0.3) million of compliance fees and related costs, partially offset by $0.4 million in net miscellaneous income. Miscellaneous expense for the nine months ended December 31, 2010 of $(21.3) million consisted primarily of $(21.6) million of non-recurring expenses related to the CHS Transactions, and partially offset by $0.6 million of income related to the reversal of our compliance reserve.

(6) We have not presented net income (loss) per share amounts for the periods presented herein, as the capital structures of the pre-predecessor, predecessor and successor are substantially different, and the net income (loss) per share amounts are therefore not comparable or meaningful. Please refer to our consolidated financial statements and notes thereto for fiscal 2008, fiscal 2009 and fiscal 2010 and for the nine months ended December 31, 2009 and December 31, 2010, which are contained elsewhere in this prospectus, for a presentation of the net income (loss) per share and the weighted average shares outstanding for the pre-predecessor, predecessor and successor periods.

(7) Pro forma statement of operations data gives effect to the CHS Transactions and this offering, including the issuance by us of 4,000,000 shares of our common stock at a price of $13.00 per share, the midpoint of the estimated price range set forth on the cover page of this prospectus, the use of proceeds as set forth under "Use of Proceeds," and the termination of our management fee and other items described in "Unaudited Pro Forma Condensed Consolidated Financial Statements," in each case as if they had occurred as of April 1, 2009. In accordance with Rule 11-02(c)(2) of Regulation S-X, we have only presented the pro forma statement of operations data for the most recent fiscal year (*i.e.*, fiscal 2010) and the period from the most recent fiscal year end to the most recent interim date for which a balance sheet is required and the corresponding interim period of the preceding fiscal year (*i.e.*, the nine months ended December 31, 2010 and December 31, 2009).

(8) Represents the difference between sales and cost of sales other than purchase accounting adjustments, divided by sales and, accordingly, does not take into account the non-cash impact of purchase accounting adjustments of $7.1 million and $7.5 million in fiscal 2008 and the nine months ended December 31, 2010, respectively.

(9) Adjusted EBITDA represents net income (loss) from continuing operations before interest expense, income tax expense, depreciation and amortization of intangibles, stock-based compensation expense and before transaction expenses, including those incurred in connection with the Audax Transaction and the Acquisition, non-recurring employee bonuses, and management fees paid to Audax and the sponsors. Disclosure in this prospectus of Adjusted EBITDA, which is a "non-GAAP financial measure", as defined under the rules of the SEC, is intended as a supplemental measure of our performance that is not required by, or presented in accordance with, GAAP. Adjusted EBITDA should not be considered as an alternative to net income, income from continuing operations or any other performance measure derived in accordance with GAAP. Our presentation of Adjusted EBITDA should not be construed to imply that our future results will be unaffected by unusual or non-recurring items.

We believe this measure is meaningful to our investors to enhance their understanding of our financial performance. Although Adjusted EBITDA is not necessarily a measure of our ability to fund our cash needs, we understand that it is frequently used by securities analysts, investors and other interested parties as a measure of financial performance and to compare our performance with the performance of other companies that report Adjusted EBITDA. Adjusted EBITDA should be considered in addition to, not as a substitute for, income from operations, net income (loss) and other measures of financial performance reported in accordance with GAAP. Our calculation of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies. The following table reconciles net income (loss) to Adjusted EBITDA for the periods presented in this table and elsewhere in this prospectus:

	Pre-Predecessor		Pre-Predecessor/ Predecessor Combined (Non-GAAP)	Predecessor			Predecessor/ Successor Combined (Non-GAAP)
	Fiscal Year Ended March 31,					Nine Months Ended December 31,	
	2006	2007	2008	2009	2010	2009	2010
	(dollars in thousands)						
Net income (loss)	$ 11,056	$ 11,393	$ (21,013)	$ 26,401	$ 18,940	$ 14,728	$ (11,227)
Interest expense, net	900	818	8,207	9,531	7,351	5,516	23,323
Income tax expense	5,148	5,429	21,712	1,795	13,966	12,241	(16,507)
Depreciation and amortization expense	1,504	1,398	15,892	8,497	4,424	3,223	24,432
Stock-based compensation expense	—	—	—	—	—	—	734
Audax Transaction expenses(a)	—	—	8,820	—	—	—	—
CHS Transactions expenses(b)	—	—	—	—	309	—	21,605
Other sale transaction expenses	—	510(c)	—	1,273(d)	—	—	—
Other auction transaction expenses(e)	—	—	—	—	703	—	—
Non-recurring employee bonus(f)	—	—	3,930	—	—	—	—
Management fees(g)	—	—	475	825	862	671	1,412
Adjusted EBITDA	$ 18,608	$ 19,548	$ 38,023	$ 48,322	$ 46,555	$ 36,379	$ 43,772

(a) Represents expenses related to the sale process that culminated with the successful completion of the Audax Transaction, which were incurred in fiscal 2008.

(b) Represents expenses related to the sale process that culminated with the successful completion of the Acquisition, which were incurred during fiscal 2010 and the nine months ended December 31, 2010.

(c) Represents legal, financial and other advisory and consulting fees and expenses incurred in fiscal 2007 when our founder and his family, our controlling stockholders at the time, engaged in negotiations to sell their controlling interest in us. This transaction was ultimately abandoned by the parties in fiscal 2007.

(d) Represents legal, financial and other advisory and consulting fees and expenses incurred during fiscal 2009 when Audax engaged in negotiations to sell their controlling interest in us. Negotiations were abandoned by the parties in fiscal 2009.

(e) Represents legal, financial and other advisory and consulting fees and expenses incurred during fiscal 2010 when Audax commenced an auction process to sell their controlling interest in us. The auction process was abandoned by Audax in fiscal 2010.

(f) Represents non-recurring bonuses paid to employees prior to the Audax Transaction.

(g) Represents management fees that will terminate in connection with this offering. See "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee."

(10) Represents the future revenue attributable to signed, but unperformed, purchase orders that set forth specific revenue amounts at the end of the applicable period.

(11) As adjusted to reflect (i) the issuance of 4,000,000 shares of common stock by us in this offering; (ii) the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011; (iii) the application of proceeds from this offering as set forth under "Use of Proceeds" and (iv) the payment of the one-time fee in the aggregate amount of $7.4 million to our sponsors in connection with the termination of the management services agreement. Adjustments do not include an increase of $15.0 million in cash and cash equivalents between December 31, 2010 and March 30, 2011.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with, and is qualified in its entirety by reference to our consolidated financial statements and related notes included elsewhere in this prospectus. The discussions in this section contain forward-looking statements that involve risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of this prospectus. Actual results could differ materially from those discussed below.

Overview

We are one of the largest providers of highly engineered thermal solutions for process industries. For over 50 years, we have served a diverse base of thousands of customers around the world in attractive and growing markets, including energy, chemical processing and power generation. We are a global leader and one of the few thermal solutions providers with a global footprint and a full suite of products and services required to deliver comprehensive solutions to complex projects. We serve our customers locally through a global network of sales and service professionals and distributors in more than 30 countries and through our four manufacturing facilities on three continents. These global capabilities and longstanding relationships with some of the largest multinational energy, chemical processing, power and EPC companies in the world have enabled us to diversify our revenue streams and opportunistically access high growth markets worldwide. For the nine months ended December 31, 2010, 71% of our revenues were generated outside of the United States.

Revenue. Our revenues are derived from providing customers with a full suite of innovative and reliable heat tracing solutions, including electric and steam heat tracing, tubing bundles, control systems, design optimization, engineering services and installation services. Our sales are primarily to industrial customers for petroleum and chemical plants, oil and gas production facilities and power generation facilities. Demand for industrial heat tracing solutions falls into two categories: (i) new facility construction, which we refer to as Greenfield projects, and (ii) recurring maintenance, repair and operations and facility upgrades or expansions, which we refer to as MRO/UE. Greenfield construction projects often require comprehensive heat tracing solutions. We believe that Greenfield revenue consists of sales revenues by customer in excess of $1 million annually (excluding sales to agents, who typically resell our products to multiple customers), and typically includes most orders for projects related to facilities that are new or that are built independent of existing facilities. We refer to sales revenues by customer of less than $1 million annually, which we believe are typically derived from MRO/UE, as MRO/UE revenue. Based on our experience, we believe that $1 million in annual sales is an appropriate threshold for distinguishing between Greenfield revenue and MRO/UE revenue. However, we often sell our products to intermediaries or subcontract our services; accordingly, we have limited visibility into how our products or services may ultimately be used and can provide no assurance that our categorization may accurately reflect the sources of such revenue. Furthermore, our customers do not typically enter into long-term forward maintenance contracts with us. In any given year, certain of our smaller Greenfield projects may generate less than $1 million in annual sales, and certain of our larger plant expansions or upgrades may generate in excess of $1 million in annual sales, though we believe that such exceptions are few in number and insignificant to our overall results of operations.

We believe that our robust pipeline of planned projects, as evidenced by our growing backlog of signed purchase orders, provides us with strong visibility into our future revenue, as historically we have experienced few order cancellations, and the cancellations that have occurred in the past have not been material compared to our total contract volume or total backlog. The small number of order cancellations is attributable in part to the fact that a large portion of our solutions are ordered and installed toward the end of Greenfield project construction. Our backlog at December 31, 2010 was $79.7 million, an increase of 17%, as compared to $68.4 million at December 31, 2008. The timing of

recognition of revenue out of backlog is not always certain, as it is subject to a variety of factors that may cause delays, many of which are beyond our control (such as customers' delivery schedules and levels of capital and maintenance expenditures). When delays occur, the recognition of revenue associated with the delayed project is likewise deferred.

Cost of sales. Our cost of revenues includes primarily the cost of raw material items used in the manufacture of our products, cost of ancillary products that are sourced from external suppliers and construction labor cost. Additional costs of revenue include contract engineering cost directly associated to projects, direct labor cost, external sales commissions, and other costs associated with our manufacturing/fabrication shops. The other costs associated with our manufacturing/fabrication shops are mainly indirect production costs, including depreciation, indirect labor costs, and the costs of manufacturing support functions such as logistics and quality assurance. Key raw material costs include polymers, copper, stainless steel, insulating material, and other miscellaneous parts related to products manufactured or assembled as part of our heat tracing solutions. Historically, the costs of our primary raw materials have been stable and readily available from multiple suppliers, and we have been generally successful with passing along raw material cost increases to our customers. Therefore, increases in the cost of key raw materials of our products have not generally affected our gross margins. We cannot provide any assurance, however, that we may be able to pass along such cost increases to our customers in the future, and if we are unable to do so, our results of operations may be adversely affected.

Operating expenses. Our marketing, general and administrative and engineering expenses are primarily comprised of compensation and related costs for sales, marketing, pre-sales engineering and administrative personnel, as well as other sales related expenses and other costs related to research and development, insurance, professional fees, the global integrated business information system, provisions for bad debts and warranty.

Key drivers affecting our results of operations. Our results of operations and financial condition are affected by numerous factors, including those described above under "Risk Factors" and elsewhere in this prospectus and those described below:

- *Timing of Greenfield projects.* Our results of operations in recent years have been impacted by the various construction phases of large Greenfield projects. On very large projects, we are typically designated as the heat tracing provider of choice by the project owner. We then engage with multiple contractors to address incorporating various heat tracing solutions throughout the overall project. Our largest Greenfield projects may generate revenue for several quarters. In the early stages of a Greenfield project, our revenues are typically realized from the provision of engineering services. In the middle stages, or the material requirements phase, we typically experience the greatest demand for our heat tracing cable, at which point our revenues tend to accelerate. Revenues tend to decrease gradually in the final stages of a project and are generally derived from installation services and demand for electrical panels and other miscellaneous electronic components used in the final installation of heat tracing cable, which we frequently outsource from third-party manufacturers. We tend to experience higher margins in the middle stages of a Greenfield project, when the demand for our manufactured products is at its highest. By contrast, we tend to experience lower margins in the beginning and final stages of a Greenfield project, when demand is highest for our lower margin engineering and installation services and outsourced electronic components.

- *Cyclicality of end-users' markets.* Demand for our products and services depends in large part upon the level of capital and maintenance expenditures of our customers and end users, in particular those in the energy, chemical processing and power generation industries, and firms that design and construct facilities for these industries. These customers' expenditures historically

have been cyclical in nature and vulnerable to economic downturns. Greenfield projects, and in particular large Greenfield projects (*i.e.*, new facility construction projects generating in excess of $5 million in annual sales), have been a substantial source of revenue growth in recent years, and Greenfield revenues tend to be more cyclical than MRO/UE revenues. In recent years we have noted particular cyclicality in capital spending for new facilities in Asia, Eastern Europe and the Middle East. Revenues derived from Europe (including the Middle East, which have historically comprised a relatively minor portion of such revenues) accounted for 27% and 25% of our total revenues during fiscal 2010 and fiscal 2009, respectively, and revenues derived from the Asia-Pacific region accounted for 12% and 14% of our total revenues during fiscal 2010 and fiscal 2009, respectively. A sustained decrease in capital and maintenance spending or in new facility construction by our customers could have a material adverse effect on the demand for our products and services and our business, financial condition and results of operations.

- *Impact of product mix.* Typically, both Greenfield and MRO/UE customers require our products as well as our engineering and construction services. The level of service and construction needs will affect the profit margin for each type of revenue. We tend to experience lower margins from our design optimization, engineering, installation and maintenance services than we do from sales of our heating cable, tubing bundle and control system products. We also tend to experience lower margins from our outsourced products, such as electrical switch gears and transformers, than we do from our manufactured products. Accordingly, our results of operations are impacted by our mix of products and services.

We estimate that Greenfield and MRO/UE have each made the following contribution as a percentage of revenue in the periods listed:

	Fiscal Year Ended March 31,			Nine Months Ended December 31,	
	2008	2009	2010	2009	2010
Greenfield	31%	32%	39%	38%	53%
MRO/UE	69%	68%	61%	62%	47%

We believe that our analysis of Greenfield and MRO/UE is an important measurement to explain the trends in our business to investors. Greenfield revenue is an indicator of both our ability to successfully compete for new contracts as well as the economic health of the industries we serve. Furthermore, Greenfield revenue is an indicator of potential MRO/UE revenue in future years.

For MRO/UE orders, the sale of our manufactured products typically represents a higher proportion of the overall revenues associated with such order than the provision of our services. Greenfield projects, on the other hand, require a higher level of our services than MRO/UE orders. Therefore, we typically realize higher margins from MRO/UE revenues than Greenfield revenues.

- *Large and growing installed base.* Customers typically use the incumbent heat tracing provider for MRO/UE projects to avoid complications and compatibility problems associated with switching providers. Therefore, with the significant Greenfield activity we have experienced in recent years, our installed base has continued to grow, and we expect that such installed base will continue to generate ongoing high margin MRO/UE revenues. For fiscal 2010, MRO/UE sales comprised approximately 60% of our consolidated revenues.

- *Seasonality of MRO/UE revenues.* Revenues realized from MRO/UE orders tend to be less cyclical than Greenfield projects and more consistent quarter over quarter, although MRO/UE revenues are impacted by seasonal factors. MRO/UE revenues are typically highest during the

third fiscal quarter, as most of our customers perform preventative maintenance prior to the winter season.

Results of Operations

The following table sets forth our statements of operations as a percentage of sales for the periods indicated.

	Pre-Predecessor/ Predecessor Combined (Non-GAAP)(1)		Predecessor						Predecessor/ Successor Combined (Non-GAAP)(2)	
	Fiscal Year Ended March 31,						Nine Months Ended December 31,			
	2008		2009		2010		2009		2010	
Consolidated Statements of Operations Data:										
Sales	$ 185,811	100%	$ 202,755	100%	$ 192,713	100%	$ 142,905	100%	$ 178,968	100%
Cost of sales	102,946	55	105,456	52	101,401	53	73,966	52	97,723	55
Purchase accounting adjustments(3)	7,146	4	—	0	—	0	—	0	7,519	4
Gross profit	$ 75,719	41%	$ 97,299	48%	$ 91,312	47%	$ 68,939	48%	$ 73,726	41%
Operating Expenses:										
Marketing, general and administrative and engineering	$ 46,569	25%	$ 48,982	24%	$ 46,481	24%	$ 33,099	23%	$ 40,078	22%
Management fees	475	0	825	0	862	0	671	0	1,412	1
Amortization of intangible assets	6,716	4	6,627	3	2,426	1	1,803	1	15,341	9
Income from operations	$ 21,959	12%	$ 40,865	20%	$ 41,543	22%	$ 33,366	23%	$ 16,895	9%
Interest expense, net	(8,207)	(4)	(9,531)	(5)	(7,351)	(4)	(5,516)	(4)	(23,323)(4)	(13)
Success fees to owners related to the CHS Transactions	—	0	—	0	—	0	—	0	(7,738)(5)	(4)
Miscellaneous income/(expense) net of gain (loss) on disposition of property, plant and equipment	(13,053)	(7)	(3,138)	(2)	(1,286)	(1)	(881)	1	(13,568)(5)	(8)
Income (loss) from continuing operations before provision for income taxes	$ 699	0%	$ 28,196	14%	$ 32,906	17%	$ 26,969	19%	$ (27,734)	(16)%
Income tax benefit (expense)	(21,712)	(12)	(1,795)	(1)	(13,966)	(7)	(12,241)	(9)	16,507	(9)
Income (loss) from continuing operations	$ (21,013)	(11)%	$ 26,401	13%	$ 18,940	10%	$ 14,728	10%	$ (11,227)	(6)%
Net income (loss)	$ (21,013)	(11)%	$ 26,401	13%	$ 18,940	10%	$ 14,728	10%	$ (11,227)	(6)%

(1) The closing of the Audax Transaction on August 30, 2007 established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and equity. This resulted in additional amortization expense, interest expense and tax expense for the period from August 30, 2007 through March 31, 2008 ("predecessor") as compared to the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to note 1 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the year ended March 31, 2008 included elsewhere in this prospectus for a separate presentation of the results for the pre-predecessor and predecessor periods in accordance with GAAP.

(2) The closing of the Acquisition on April 30, 2010 established a new basis of accounting that primarily affected inventory, intangible assets, goodwill, taxes, debt and equity. This resulted in additional amortization expense, interest expense and tax expense for the period from May 1, 2010 through December 31, 2010 ("successor") as compared to the period from April 1, 2010 through April 30, 2010 ("predecessor"). Except for purchase accounting adjustments, the results for the two combined periods are comparable. Therefore, we believe that combining the two periods into a single period for comparative purposes gives the most clarity for the users of this financial information. Please refer to note 2 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table and our historical consolidated financial statements and notes thereto for the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the results for the predecessor and successor periods in accordance with GAAP.

(3) In fiscal 2008, there was a non-cash negative impact of $7.1 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Audax Transaction. In the nine months ended December 31, 2010, there was a similar non-cash negative impact of $7.5 million to cost of sales and, consequently, gross profit due to a purchase accounting adjustment related to the Acquisition.

(4) Interest expense for the nine months ended December 31, 2010 of $23.3 million included increased interest and amortization related to the CHS Transactions, including interest expense on our revolving credit facility and our senior secured notes issued on April 30, 2010 to finance in part the Acquisition, as well as $2.0 million of unused bridge loan fee amortization, $3.1 million of prepayment fees and $2.6 million of accelerated amortization of the deferred debt costs associated with the repaid debt.

(5) Miscellaneous income (expense) for the nine months ended December 31, 2010 of $(21.3) million consisted primarily of $(21.6) million of non-recurring expenses related to the CHS Transactions, and partially offset by $0.6 million of income related to the reversal of our compliance reserve.

Nine Months Ended December 31, 2010 (Combined) Compared to the Nine Months Ended December 31, 2009 (Non-GAAP)

We have prepared our consolidated and combined financial statements as if Thermon Group Holdings, Inc. ("successor") had been in existence throughout all relevant periods. The historical financial and other data prior to the Acquisition, which occurred on April 30, 2010 and which established a new basis of accounting, have been prepared using the historical results of operations and bases of the assets and liabilities of Thermon Holdings, LLC and its subsidiaries ("predecessor"). Our historical financial data prior to April 30, 2010 may not necessarily be indicative of our future performance. For comparability to the periods discussed herein, please refer to note (2) to the table presented in "Selected Historical and Pro Forma Consolidated Financial and Operating Data."

Revenues. Revenues for the nine months ended December 31, 2010 combined, which we refer to as YTD 2011, were $179.0 million, compared to $142.9 million for the nine months ended December 31, 2009, which we refer to as YTD 2010, an increase of $36.1 million, or 25.3%, mostly due to an increase in large Greenfield project activity in YTD 2011, which accounted for $23.1 million of the increase. Separately, revenues increased in all geographies in which we operate during YTD 2011, with revenue in Canada accounting for $18.3 million of the increase.

Gross profit and margin. Gross profit totaled $73.7 million in YTD 2011, compared to $68.9 million in YTD 2010, an increase of $4.8 million. As a percentage of revenues, gross profit decreased to 41.2% in YTD 2011 from 48.2% in YTD 2010. In YTD 2011 there was a non-cash $7.5 million negative impact to gross profit due to a purchase accounting adjustment related to the CHS Transactions. Under purchase accounting rules, inventories that were carried at lower of cost or market are stepped up to fair value, which eliminates gross profit in the period in which the units are sold. Excluding the purchase accounting adjustment, gross margin would have been 45.4% in YTD 2011. In addition, YTD 2010 gross margin was positively affected by a $1.8 million favorable adjustment related to the release of contingencies on long-term projects in Russia. After taking into account this adjustment, gross margin would have been 47.0% in YTD 2010. Adjusted gross margin decreased marginally by 1.6% in YTD 2011 as compared to YTD 2010. These adjusted gross margins of 45.4% and 47.0% for YTD 2011 and YTD 2010, respectively, are within our expected range of gross margins based on our historical results. The slightly lower gross margin in YTD 2011 is reflective of a larger proportion of Greenfield sales, which carry an overall lower gross margin than MRO/UE sales.

Marketing, general and administrative and engineering. Marketing, general and administrative and engineering costs were $41.5 million in YTD 2011, compared to $33.8 million in YTD 2010, an increase of $7.7 million, or 22.9%. The overall increase is primarily related to an increase in expenses to address personnel needs to meet growing customer demand. The expenses contributing to this increase include $2.9 million in increased incentive compensation as well as an increase in salaries and benefits of $3.8 million. In addition, there is an increase of $0.8 million in professional fees associated with SEC

reporting and administration requirements. As a percentage of revenues, marketing, general and administrative and engineering expenses decreased to 23.2% in YTD 2011 from 23.6% in YTD 2010.

Amortization of intangible assets. Amortization of intangible assets was $15.3 million in YTD 2011, compared to $1.8 million in YTD 2010, an increase of $13.5 million, due to the amortization of certain intangible assets associated with the CHS Transactions.

Interest expense. Interest expense was $23.3 million in YTD 2011, compared to $5.6 million in YTD 2010, an increase of $17.7 million. This was partially due to the higher levels of indebtedness incurred in the CHS Transactions and, to a lesser extent, the higher interest rates on our senior secured notes, which increased our monthly interest expense by approximately $1.2 million. The one-time financing costs included $2.0 million in full amortization of our bridge loan fee, $2.6 million in accelerated amortization of deferred debt costs associated with repaid debt and $3.1 million in prepayment penalties.

Miscellaneous expense. Miscellaneous expense was $13.6 million in YTD 2011, compared to miscellaneous expense of $0.9 million in YTD 2010, an increase of $12.7 million. Miscellaneous expense in YTD 2011 consisted primarily of $9.5 million of professional fees and expenses related to the CHS Transactions, $0.6 million income related to adjustment of compliance liabilities and foreign exchange transaction gains and other miscellaneous income of $0.9 million. Miscellaneous expense in YTD 2010 consisted primarily of nominal charges for professional fees and expenses related to a proposed sale and other extraordinary corporate transactions and foreign exchange transaction losses offset by a small gain in sales of fixed assets.

Income taxes. Income taxes were a benefit of $16.5 million in YTD 2011, compared to a $12.2 million tax expense in YTD 2010, a decrease of $28.7 million from YTD 2010. The effective tax rates were (59.5)% in YTD 2011 and 45.4% in YTD 2010. Our anticipated annual effective tax rate of approximately (3.9)% has been applied to our consolidated pre-tax loss for the period from May 1, 2010 through December 31, 2010. This tax rate is less than the U.S. statutory rate primarily due to the amount of buyer's expenses incurred in connection with the CHS Transactions that is estimated to be nondeductible, valuation reserves taken against our anticipated foreign tax credit and other carryforwards for U.S. taxation purposes, and differences between foreign and U.S. tax rates. See Note 16, Income Taxes, to our unaudited consolidated financial statements for the nine months ended December 31, 2010, included elsewhere in this prospectus, for further detail on income taxes.

Net income. Net loss was $11.2 million in YTD 2011 as compared to net income of $14.7 million in YTD 2010, a decrease of $25.9 million. The primary reason for the decrease in net income was as a result of the CHS Transactions. Because of the CHS Transactions in YTD 2011, amortization of intangible assets increased $21.0 million (including $7.5 million in purchase accounting adjustments negatively affecting cost of sales) over the same period in the prior year. In addition, interest expense increased $17.8 million over the prior period. During YTD 2011, we also incurred $21.6 million in transaction costs directly related to the CHS Transactions. These charges to income represent a total of $60.4 million (before tax) offset by a decrease in tax expense of $28.7 million due to the tax benefit of $16.5 million recorded in YTD 2011 and an increase in gross profit of $4.8 million due to higher sales.

Year Ended March 31, 2010 Compared to Year Ended March 31, 2009

Revenues. Revenues for fiscal 2010 were $192.7 million, compared to $202.8 million for fiscal 2009, a decrease of $10.1 million or 5.0%. Revenues from large Greenfield projects decreased by $7.6 million in fiscal 2010. Smaller Greenfield projects and MRO/UE combined for a decline of $2.5 million in fiscal 2010. The reduction in large Greenfield projects is primarily related to the completion of several oil and gas projects during fiscal 2010 that were largely realized in fiscal 2009 and

therefore generated less revenue in fiscal 2010. The reduction of MRO/UE revenue in fiscal 2010 was due to an $11.2 million decrease in the Eastern Hemisphere revenue offset by increased MRO/UE revenue in the Western Hemisphere of $8.7 million.

Revenues in our Western Hemisphere area decreased to $117.3 million in fiscal 2010 from $124.6 million in fiscal 2009, a decrease of $7.3 million or 5.8%, mainly due to the near completion of a large Greenfield project located in Canada. Specifically, we had one large Greenfield project in Canada that accounted for a $17.2 million decrease in revenue in fiscal 2010 as compared to fiscal 2009. This reduction was offset by increased MRO/UE revenue of $8.7 million and other Canadian projects that began in fiscal 2010 and accelerated in YTD 2011. Revenues from our Eastern Hemisphere area decreased to $75.3 million in fiscal 2010 from $78.1 million in fiscal 2009, a decrease of $2.8 million or 3.5%. Eastern Hemisphere revenues were marked by an overall a decline in MRO/UE revenue offset by an increase in Greenfield revenue. The decrease in Eastern Hemisphere MRO/UE revenue is attributable to a downturn in capital spending in our end markets, which tends to be due to the cyclical nature of capital spending in Asia and in Eastern Europe.

Gross profit and margin. As a percentage of revenues, gross profit was 47.4% for fiscal 2010 as compared to 48.0% for fiscal 2009. Gross profit totaled $91.3 million for fiscal 2010, compared to $97.3 million for fiscal 2009, a decrease of $6.0 million, or 6.2%, from fiscal 2009, which is largely attributable to a decrease in revenues over the same period. The gross margins of 47.4% and 48.0% for fiscal 2010 and fiscal 2009, respectively, are in line with our expected range of gross margins based on our historical results. No discernible series of events or factors were responsible for the negligible decline in gross margin over such period.

Marketing, general and administrative and engineering. As a percentage of revenues, marketing, general and administrative and engineering expenses totaled 24.6% for both fiscal 2010 and fiscal 2009. Marketing, general and administrative and engineering expenses were $47.3 million for fiscal 2010, compared to $49.8 million for fiscal 2009, a decrease of $2.5 million, or 5.0%, from fiscal 2009. The decrease in operating expense is primarily due to the decrease in incentive expense due to lower business activity in fiscal 2010 from that of fiscal 2009.

Amortization of intangible assets. Amortization of intangible assets was $2.4 million in fiscal 2010, compared to $6.6 million in fiscal 2009, a decrease of $4.2 million from fiscal 2009, due to the amortization of certain intangible assets associated with the Audax Transaction. The decrease in amortization expense was due to certain short-term intangible assets that were fully amortized prior to fiscal 2010.

Interest expense. Interest expense was $7.4 million in fiscal 2010, compared to $9.6 million in fiscal 2009, a decrease of $2.2 million, or 22.9%, from fiscal 2009. The decrease is a primarily due to higher debt levels during fiscal 2009 and a reduction in interest rates during fiscal 2010.

Miscellaneous expense. Miscellaneous expense was $1.3 million in fiscal 2010 compared to $3.1 million in fiscal 2009, a decrease of $1.8 million, or 58.1%, from fiscal 2009. Miscellaneous expense in fiscal 2010 consisted primarily of $1.0 million of professional fees and expenses related to capital transactions and miscellaneous expenses of $0.3 million. Miscellaneous expense in fiscal 2009 consisted primarily of $1.3 million of professional fees and expenses related to capital transactions, $0.8 million of foreign exchange transaction losses and a $1.2 million charge related to self-reported export compliance violations, partially offset by $0.2 million of miscellaneous income.

Income taxes. Income taxes were $14.0 million in fiscal 2010 compared to $1.8 million in fiscal 2009, an increase of $12.2 million. The effective tax rate was 42.6% in fiscal 2010 and 6.4% in fiscal 2009. Excluding the effects of the non-cash change in the deferred tax liability related to deemed

foreign income, the effective tax rates would be approximately 33.4% and 35.0% in fiscal 2010 and fiscal 2009, respectively. The deemed foreign income relates to the debt outstanding of our Canadian subsidiary that originated in the Audax Transaction. The swings in the effective tax rates is primarily due to the deemed foreign income related to debt outstanding of our Canadian subsidiary and the impact of rate differences of international subsidiaries.

Net income. Net income was $19.0 million in fiscal 2010 as compared to $26.4 million in fiscal 2009, a decrease of $7.4 million. The decrease in net income was primarily related to a non-cash charge to deferred taxes. The effect of the deferred taxes related to our Canadian debt and represented a decrease in net income of $11.4 million.

Year Ended March 31, 2009 Compared to Year Ended March 31, 2008 (Combined) (Non-GAAP)

We have prepared our consolidated and combined financial statements as if Thermon Holdings, LLC ("predecessor") had been in existence throughout all relevant periods. The historical financial and other data prior to the Audax Transaction, which established a new basis of accounting, have been prepared using the historical results of operations and bases of the assets and liabilities of Thermon Industries, Inc. and its subsidiaries ("pre-predecessor"). Our historical financial data prior to August 30, 2007 may not necessarily be indicative of our future performance. For comparability to the periods discussed herein, please refer to note (1) to the table presented in "Selected Historical and Pro Forma Consolidated Financial and Operating Data."

Revenues. Revenues for fiscal 2009 were $202.8 million, compared to $185.8 million for fiscal 2008, an increase of $17.0 million, or 9.1%. The increase in revenue in fiscal 2009 is mostly attributable to a large Greenfield project in Canada. Sales to several of our customers associated with this project accounted for a $19.7 million increase in revenue in fiscal 2009 as compared to fiscal 2008. This revenue increase was offset by a decrease in other Greenfield projects of $3.2 million. MRO/UE revenue worldwide was comparable at approximately $160 million for both fiscal 2009 and fiscal 2008.

Revenues in our Western Hemisphere area increased to $124.6 million in fiscal 2009 from $117.0 million in fiscal 2008, an increase of $7.6 million, or 6.5%, mainly due to the aforementioned project in Canada, partially offset by lower Greenfield sales within the United States. The decline in U.S. Greenfield revenue was due to the completion of a large refinery modernization project in fiscal 2008. Revenues from our Eastern Hemisphere area increased to $78.1 million in fiscal 2009 from $68.8 million in fiscal 2008, an increase of $9.3 million, or 13.5%, mainly due to growth in MRO/UE revenue of approximately $11.8 million, which we believe was due to the cyclical nature of capital spending in Asia and in Eastern Europe, which increase was offset in part by a decrease in Eastern Hemisphere Greenfield revenue of $2.5 million.

Gross profit and margin. As a percentage of revenues, gross profit improved to 48.0% for fiscal 2009 from 40.8% for fiscal 2008. Gross profit totaled $97.3 million for fiscal 2009, compared to $75.7 million for fiscal 2008, an increase of $21.6 million or 28.5% from fiscal 2008. In fiscal 2008 there was a non-cash charge of $7.1 million that adversely affected gross profit due to a purchase accounting adjustment related to the Audax Transaction. Under purchase accounting rules, inventories that were carried at lower of cost or market are stepped up to fair value which eliminates the gross profit in the period in which the units are sold. Excluding the purchase accounting adjustment, gross margin would have been 44.6% in fiscal 2008, which is in line with our expected range of gross margins based on our historical results. The relative improvement in gross margin during fiscal 2009 was due partly to the number of significant ongoing Greenfield projects in their middle, material requirements phases.

Marketing, general and administrative and engineering. As a percentage of revenues, marketing, general and administrative and engineering expenses decreased slightly to 24.6% for fiscal 2009 from

25.3% for fiscal 2008. Marketing, general and administrative and engineering expenses were $49.8 million for fiscal 2009, compared to $47.0 million for fiscal 2008, an increase of $2.8 million, or 6.0%, for fiscal 2008. The increase is primarily due to higher salaries expense related to headcount additions and additional incentive compensation expense related to the increase in revenues and profits.

Amortization of intangible assets. Amortization of intangible assets was $6.6 million in fiscal 2009, compared to $6.7 million in fiscal 2008, a decrease of $0.1 million from fiscal 2008, due to the amortization of certain intangible assets associated with the Audax Transaction.

Interest expense. Interest expense was $9.6 million in fiscal 2009, compared to $8.4 million in fiscal 2008, an increase of $1.2 million, or 14.3%, from fiscal 2008. The increase is a result of the outstanding borrowings for the entire year in fiscal 2009 as compared to fiscal 2008 where the borrowings were outstanding for only part of the year.

Miscellaneous expense. Miscellaneous expense was $3.1 million in fiscal 2009 compared to $12.9 million in fiscal 2008, a decrease of $9.8 million, or 76.0%, from fiscal 2008. Miscellaneous expense in fiscal 2009 consisted primarily of $1.3 million of professional fees and expenses related to proposed capital transactions, a $1.2 million charge related to self-reported export compliance violations and $0.8 million of foreign exchange transaction losses, partially offset by $0.2 million of miscellaneous income. Miscellaneous expense in fiscal 2008 consisted primarily of $8.8 million of non-recurring expenses related to the Audax Transaction, a $3.9 million employee compensation transaction bonus related to the Audax Transaction, $0.3 million of foreign exchange transaction losses and $0.3 million of compliance fees and related costs, partially offset by $0.4 million net miscellaneous income.

Income taxes. Income taxes were $1.8 million in fiscal 2009 compared to $21.7 million in fiscal 2008, a decrease of $19.9 million, or 91.7%, from fiscal 2008. The effective tax rate was 6.4% in fiscal 2009 and was not meaningful in fiscal 2008. Excluding the effects of the non-cash change in the deferred tax liability related to deemed foreign income, the effective tax rates would be approximately 35% in fiscal 2009. The deemed foreign income relates to the debt outstanding of our Canadian subsidiary that originated in the Audax Transaction (see discussion above). The high effective tax rate in fiscal 2008 was primarily due to the deemed foreign income related to debt outstanding of our Canadian subsidiary, the impact of rate differences of international subsidiaries and permanent differences on certain transaction costs expensed for book purposes but not for tax purposes.

Net income. Net income for fiscal 2009 was $26.4 million as compared to a net loss in fiscal 2008 of $21.0 million, an increase of $47.4 million. Of the $47.4 million change in net income, $20.0 million was related to the non-cash charge to deferred tax expense related to U.S. tax issues in connection with our Canadian debt issued in fiscal 2008. In addition, during fiscal 2008, the Company incurred $12.7 million (before tax) in transaction expenses (including $3.9 million in employee compensation expense and $7.1 million (before tax) in cost of sale expenses related to purchase accounting entries).

Quarterly Results of Operations and Seasonality

The following tables set forth our historical unaudited quarterly condensed consolidated statement of operations data and other financial data and our net sales for the following periods, expressed in dollars and as a percentage of net sales. This information should be read in conjunction with our consolidated financial statements and related notes included elsewhere in this prospectus. We have prepared the unaudited information on the same basis as our audited consolidated financial statements and, in the opinion of management, the table includes normal recurring adjustments that we consider necessary for a fair presentation of our financial position and operating results for the quarters presented. The quarterly statement of operations data and other financial data are not indicative of operating results for any future period.

	Three Months Ended										
	Jun. 30, 2008	Sep. 30, 2008	Dec. 31, 2008	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(Predecessor)								(Predecessor/ Successor Combined) (Non-GAAP)	(Successor)	
	(dollars in thousands, except for per share data)										
Sales	$53,398	$52,060	$52,766	$ 44,531	$50,812	$44,745	$47,348	$ 49,808	$ 50,576	$ 63,451	$ 64,941
Gross profit	22,875	25,657	26,712	22,055	22,837	22,906	23,196	22,373	18,786(1)	25,332(1)	29,608
Income (loss) from operations	8,347	10,969	12,122	9,427	11,670	11,665	10,031	8,177	632	5,061	11,203
Net income (loss)	$ 4,288	$ 6,341	$ 7,119	$ 8,653	$ 5,243	$ 5,304	$ 4,182	$ 4,212	$ (12,440)(2)	$ (1,797)(2)	$ 3,009(2)
Other Financial Data:											
Adjusted gross margin(3)	42.8%	49.2%	50.6%	49.5%	44.9%	51.1%	48.9%	44.9%	47.1%	43.8%	45.6%
Net income (loss) per share(4):											
Basic	$ 90.84	$134.33	$150.81	$ 183.31	$111.07	$112.36	$ 88.59	$ 89.23	$ —	$ (0.07)	$ 0.12
Diluted	$ 79.65	$117.79	$132.24	$ 165.60	$100.34	$101.51	$ 80.03	$ 80.61	$ —	$ (0.07)	$ 0.11
Weighted average shares outstanding(4):											
Basic	47,205	47,205	47,205	47,205	47,205	47,205	47,205	47,205	—	24,875,669	24,908,772
Diluted	53,835	53,835	53,835	52,253	52,253	52,253	52,253	52,253	—	24,875,669	27,557,174

The following table presents, for the periods given, selected unaudited quarterly financial data as a percentage of our sales.

	Three Months Ended										
	Jun. 30, 2008	Sep. 30, 2008	Dec. 31, 2008	Mar. 31, 2009	Jun. 30, 2009	Sep. 30, 2009	Dec. 31, 2009	Mar. 31, 2010	Jun. 30, 2010	Sep. 30, 2010	Dec. 31, 2010
	(Predecessor)								(Predecessor/ Successor Combined) (Non-GAAP)	(Successor)	
Sales	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Gross profit	43%	49%	51%	50%	45%	51%	49%	45%	37%(1)	40%(1)	46%(1)
Income (loss) from operations	16%	21%	23%	21%	23%	26%	21%	16%	1%	8%	17%
Net income (loss)	8%	12%	14%	19%	10%	12%	9%	8%	(25)%(2)	(3)%(2)	5%(2)

(1) Includes non-cash purchase accounting adjustments of $(5.0) million and $(2.5) million, or 10% and 4% of sales, respectively, related to the CHS Transactions in the three months ended June 30, 2010 and September 30, 2010, respectively.

(2) Includes $20.0 million, or 40% of sales, $0.7 million, or 1% of sales, and $0.8 million, or 1% of sales, in transaction-related expenses incurred in the three months ended June 30, 2010, September 30, 2010 and December 31, 2010, respectively, in connection with the CHS Transactions.

(3) Represents the difference between sales and cost of sales other than purchase accounting adjustments, divided by sales and, accordingly, does not take into account the non-cash impact of purchase accounting adjustments of $7.5 million in the nine months ended December 31, 2010.

(4) As the capital structures of the predecessor and successor are substantially different, the reported net income (loss) per share amounts for the combined predecessor/successor and successor periods are not comparable to other periods and have not been

presented herein. Please refer to our historical consolidated financial statements and notes thereto for the nine months ended December 31, 2010 included elsewhere in this prospectus for a separate presentation of the net loss per share and the weighted average shares outstanding for the predecessor and successor periods.

Our quarterly revenues are impacted by the level of large Greenfield projects that may be occurring at any given time. Demand for our products depends in large part upon the level of capital and maintenance expenditures by many of our customers and end users, in particular those customers in the oil and gas, refining, and chemical processing markets. These customers' expenditures historically have been cyclical in nature and vulnerable to economic downturns.

Our operating expenses remain relatively consistent with some variability related to overall headcount of the company which increased slightly in the year ended December 31, 2010. Fluctuations in operating expense are partly due to changes in management's estimates for items such annual bonus attainment and reserves for bad debt.

Our quarterly operating results may fluctuate based on the cyclical pattern of industries to which we provide heat tracing solutions and the seasonality of MRO/UE demand for our products. Most of our customers perform preventative maintenance prior to the winter season, thus in our experience making the months of October and November typically our largest for MRO/UE revenue. However, revenues from Greenfield projects are not seasonal and tend to be level throughout the year, depending on the capital spending environment. Overall, seasonality has a minor effect on the company's business.

Contractual Obligations and Contingencies

Contractual Obligations. The following table summarizes our material contractual payment obligations as of December 31, 2010.

		Payment Due By Period			
	TOTAL	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
	(dollars in thousands)				
Senior secured notes	$ 210,000	$ —	$ —	$ —	$ 210,000
Estimated interest payments on above indebtedness(1)	129,675	19,950	39,900	39,900	29,925
Operating lease obligations(2)	3,070	1,490	1,167	413	—
Obligations in settlement of the CHS Transactions(3)	3,754	3,754	—	—	—
Information technology services agreement(4)	1,412	804	608	—	—
Management fees payable to sponsors(5)	17,930	1,535	3,729	4,000	8,666
Total	$ 365,841	$ 27,533	$ 45,404	$ 44,313	$ 248,591

(1) Consists of the interest on the senior secured notes, which accrues at 9.500%.

(2) We enter into operating leases in the normal course of business. Our operating leases include the leases on certain of our manufacturing and warehouse facilities.

(3) Consists of estimated amounts owed to sellers in the CHS Transactions for restricted cash and in satisfaction of the post-closing adjustments for working capital and income taxes.

(4) Represents the future annual service fees associated with certain information technology service agreements with several vendors.

(5) Consists of fees payable to our sponsors for the rendering of management, consulting, financial and other advisory services pursuant to the terms of our management services agreement. We have

also agreed to reimburse the out-of-pocket expenses incurred by the sponsors in connection with the provision of such services. The amounts reflected in this table do not reflect any potential expense reimbursement obligations, as we are unable to estimate the amount of such obligations with any certainty. The amount reflected in the "More than 5 Years" column is prepared on the basis of the initial ten-year term of the management services agreement, though we note that the agreement automatically extends on a year-to-year basis after the expiration of the initial term.

There are no contingent gains or losses or litigation settlements that are not provided for in the accounts.

The following table summarizes our material contractual payment obligations as of December 31, 2010 on a pro forma basis assuming our receipt of the net proceeds from our sale of common stock in this offering, the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011 and the payment of $0.6 million of premiums and accrued interest in connection with such redemption, the redemption of $21.0 million aggregate principal amount of our senior secured notes from the net proceeds of this offering and the payment of $0.6 million of premiums and accrued interest in connection with such redemption and the termination of the management fee payable to the sponsors, as if those transactions had occurred as of December 31, 2010:

		Payment Due By Period			
	TOTAL	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
	(dollars in thousands)				
Senior secured notes	$ 168,000	$ —	$ —	$ —	$ 168,000
Estimated interest payments on above indebtedness(1)	103,656	15,960	31,920	31,920	23,856
Operating lease obligations(2)	3,070	1,490	1,167	413	—
Obligations in settlement of the CHS Transactions(3)	3,754	3,754	—	—	—
Information technology services agreement(4)	1,412	804	608	—	—
Termination fee payable to sponsors(5)	7,357	7,357	—	—	—
Total	$ 287,249	$ 29,365	$ 33,695	$ 32,333	$ 191,856

(1) Consists of the interest on the senior secured notes, which accrues at 9.500%.

(2) We enter into operating leases in the normal course of business. Our operating leases include the leases on certain of our manufacturing and warehouse facilities.

(3) Consists of estimated amounts owed to sellers in the CHS Transactions for restricted cash and in satisfaction of the post-closing adjustments for working capital and income taxes.

(4) Represents the future annual service fees associated with certain information technology service agreements with several vendors.

(5) Represents the one-time cash fee payable to our sponsors concurrently with this offering in connection with the termination of the management services agreement. See "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee."

Contingencies. We are involved in various legal and administrative proceedings and disputes that arise from time to time in the ordinary course of doing business. Some of these proceedings may result in fines, penalties or judgments being assessed against us, which, from time to time, may adversely affect our financial results. For a discussion of contingencies that may adversely affect our results of operations, see note 11 to our audited consolidated financial statements and note 12 to our unaudited

consolidated financial statements contained elsewhere in this prospectus. We have considered these proceedings and disputes in determining the necessity of any reserves for losses that are probable and reasonably estimable. Our recorded reserves are based on estimates developed with consideration given to the potential merits of claims or quantification of any performance obligations. In doing so, we take into account our history of claims, the limitations of any insurance coverage, advice from outside counsel, the possible range of outcomes to such claims and obligations and their associated financial impact (if known and reasonably estimable), and management's strategy with regard to the settlement or defense of such claims and obligations. While the ultimate outcome of those claims, lawsuits or performance obligations cannot be predicted with certainty, we believe, based on our understanding of the facts of these claims and performance obligations, that adequate provisions have been recorded in the accounts where required. In addition, we do not believe that the outcome of any of these proceedings would have a significant adverse effect on our financial position, long-term results of operations, or cash flows. It is possible, however, that charges related to these matters could be significant to our results or cash flows in any one accounting period.

To bid on or secure certain contracts, we are required at times to provide a performance guaranty to our customers in the form of a surety bond, standby letter of credit or foreign bank guaranty. On December 31, 2010, we had in place standby letters of credit and bank guarantees totaling $5.5 million and performance bonds totaling $3.0 million to back performance obligations under customer contracts. As of December 31, 2010, we also had in place a $0.3 million letter of credit as collateral for the revolving facility for our subsidiary in Japan. Our Indian subsidiary also has $2.9 million in customs bonds outstanding.

Liquidity and Capital Resources

Our primary sources of liquidity are cash flows from operations and funds available under our revolving credit facility and other revolving lines of credit. Our primary liquidity needs are to finance our working capital, capital expenditures and debt service needs.

Cash and cash equivalents. At December 31, 2010, we had $35.2 million in cash and cash equivalents. We maintain cash and cash equivalents at various financial institutions located in many countries throughout the world. Approximately $5.2 million, or 15%, of these amounts was held in domestic accounts with various institutions and approximately $29.6 million, or 85%, of these amounts was held in accounts outside of the United States with various financial institutions.

Revolving credit facility and senior secured notes.

Revolving credit facility. Simultaneously with the closing of the Acquisition and the sale of our senior secured notes, our wholly owned subsidiary, Thermon Industries, Inc., entered into a five-year, $40.0 million senior secured revolving credit facility, which we refer to as our revolving credit facility, of which up to $20.0 million is available to our Canadian subsidiary, subject to borrowing base availability. Availability of funds under our revolving credit facility is determined by a borrowing base equal to the sum of 85% of eligible accounts receivable, plus 60% of eligible inventory, plus 85% of the net orderly liquidation value of eligible equipment, plus 50% of the fair market value of eligible owned real property. In no case shall availability under our revolving credit facility exceed the commitments thereunder. As of December 31, 2010, we had $34.8 million of capacity available under our revolving credit facility after taking into account the borrowing base, outstanding loan advances and letters of credit. In addition to our revolving credit facility, we have various short term revolving lines of credit available to us at our foreign affiliates, and no borrowings were outstanding under any such lines of credit at December 31, 2010.

The revolving credit facility will mature in 2015. Any borrowings on our revolving credit facility will incur interest expense that is variable in relation to the LIBOR rate. Borrowings denominated in

Canadian Dollars under the Canadian facility bear interest at a variable rate in relation to the bankers' acceptance rate, as set forth in the revolving credit facility. In addition to paying interest on outstanding borrowings under our revolving credit facility, we are required to pay a 0.75% per annum commitment fee to the lenders in respect of the unutilized commitments thereunder and letter of credit fees equal to the LIBOR margin or the bankers' acceptance rate, as applicable, on the undrawn amount of all outstanding letters of credit. At December 31, 2010, we had no outstanding borrowings under our revolving credit facility. Had there been outstanding borrowings, the interest rate on the facility would have been 5.75%.

Senior secured notes. We have incurred substantial indebtedness in connection with the senior secured notes. As of December 31, 2010, we had $210.0 million of indebtedness outstanding under the senior secured notes with annual cash interest expense of approximately $20.0 million. Our senior secured notes mature on May 1, 2017 and accrue interest at a fixed rate of 9.500%. We pay interest in cash semi-annually on May and November 1 of each year. Our senior secured notes were issued by our wholly-owned subsidiary Thermon Industries, Inc. in a Rule 144A exempt senior secured note offering to qualified institutional investors. The proceeds were used to fund the purchase price for the Acquisition and related transaction costs. In January 2011, we consummated an offer to exchange the old restricted senior secured notes for new, SEC-registered senior secured notes. On March 30, 2011, we gave notice to the holders of our senior secured notes that, in accordance with the terms of our senior secured note indenture, we will be redeeming $21.0 million aggregate principal amount of the $210.0 million outstanding principal amount at a redemption price equal to 103% of the principal amount redeemed, plus accrued and unpaid interest to the redemption date, on April 29, 2011.

As described above under "Use of Proceeds," we intend to use $21.6 million of the net proceeds from this offering received by us to prepay $21.0 million of the aggregate outstanding principal amount of the senior secured notes, reflecting a redemption price of 103% of the principal amount thereof, plus accrued and unpaid interest and additional interest, if any, to the redemption date.

Guarantees; security. The obligations under our revolving credit facility and our senior secured notes are guaranteed on a senior secured basis by THC and each of its existing and future domestic restricted subsidiaries, other than Thermon Industries, Inc., the issuer of the senior secured notes. The obligations under our revolving credit facility are secured by a first priority perfected security interest in substantially all of our and the guarantors' assets, subject to certain exceptions, permitted liens and encumbrances reasonably acceptable to the agent under our revolving credit facility. Our senior secured notes and guarantees are also secured by liens on substantially all of our and the guarantors' assets, subject to certain exceptions; provided, however, that the liens are contractually subordinated to the liens thereon that secure our revolving credit facility.

Restrictive covenants. The revolving credit facility and senior secured notes contain various restrictive covenants that include restrictions or limitations on our ability to: incur additional indebtedness or issue disqualified capital stock unless certain financial tests are satisfied; pay dividends, redeem subordinated debt or make other restricted payments; make certain investments or acquisitions; issue stock of subsidiaries; grant or permit certain liens on our assets; enter into certain transactions with affiliates; merge, consolidate or transfer substantially all of our assets; incur dividend or other payment restrictions affecting certain of our subsidiaries; transfer or sell assets, including capital stock of our subsidiaries; and change the business we conduct. However, all of these covenants are subject to exceptions.

Credit risk. The credit ratings assigned to our senior secured notes reflect the rating agencies' assessments of our ability to make payments on our senior secured notes when due. Actual or anticipated changes to our credit rating by any rating agency may negatively impact the market value and liquidity of our senior secured notes. In addition, any downgrade in our credit ratings may affect our ability to obtain additional financing in the future and may affect the terms of any such financing.

Repatriation considerations. A substantial portion of our cash flows are generated by our non-U.S. subsidiaries. At December 31, 2010, approximately 85%, or $29.6 million, of our cash was held outside of the United States including $19.0 million in Europe and $8.4 million in Canada. We had no other liquid investments at December 31, 2010. In general, when an entity in a foreign jurisdiction repatriates cash to the United States, the amount of such cash is treated as a dividend taxable at current U.S. tax rates. Accordingly, upon the distribution of cash to us from our non-U.S. subsidiaries, we will be subject to U.S. income taxes. Although foreign tax credits may be available to reduce the amount of the additional tax liability, these credits may be limited based on our tax attributes.

Since the issuance of our senior secured notes on April 30, 2010, we have been able to meet our regular debt service obligations through cash generated through our U.S. operations, and it is our expectation that we will continue to be able to do so in the future. As a result, we do not expect to repatriate cash from our non-U.S. subsidiaries for our regular debt service obligations. We may, however, repatriate cash in the form of incremental dividends from our non-U.S. subsidiaries from time to time for events occurring outside the ordinary course of business, such as one-time redemptions of our outstanding senior secured notes.

On March 31, 2011, we received dividends from certain of our foreign subsidiaries in an aggregate amount of $34.3 million to be used to fund the redemption of $21.0 million aggregate principal amount of our senior secured notes scheduled to occur on April 29, 2011 and to pay certain transaction costs incurred in connection with this offering. The receipt of these dividends will have an impact on our tax expense for the fourth quarter of fiscal 2011. The amount of the expense has not yet been determined and will be subject to the completion of our fiscal 2011 accounting, which includes a complete estimation of taxable income in all jurisdictions. However, the tax expense may be approximated by multiplying the amount of the dividend by the statutory U.S. tax rate of 35% and crediting any taxes paid in foreign jurisdictions on the earnings giving rise to the dividend, which we estimate to be in the range of 20% to 25%. As a result of the interest expense on our senior secured notes and transaction costs from the CHS Transactions, we have incurred a taxable loss in the United States for fiscal 2011 and the cash impact of the taxes on repatriated dividends will be significantly reduced.

Additionally, in connection with the payment of these dividends and as part of the completion of our fiscal 2011 accounting, we anticipate that we will reevaluate our position that undistributed earnings of certain of our foreign subsidiaries are permanently reinvested. In the event that we conclude that those undistributed earnings are no longer permanently reinvested, we would be required to accrue the estimated U.S. tax on those earnings and earnings in future periods, and likely at a higher annual effective tax rate than the rate that has been applied to our consolidated pre-tax loss from May 1, 2010 through December 31, 2010. Subject to finalization of our fiscal 2011 results and the related tax analysis, we estimate that less than $10 million of foreign earnings remain as of March 31, 2011 following the payment of these dividends that may be subject to U.S. tax rates.

In addition, our ability to repatriate cash from our foreign subsidiaries may be subject to legal, contractual or other restrictions and other business considerations. See "Risk Factors—Risks Related to Our Business and Industry—A significant portion of our business is conducted through foreign subsidiaries and our failure to generate sufficient cash flow from these subsidiaries, or otherwise repatriate or receive cash from these subsidiaries, could result in our inability to repay our indebtedness."

Future capital requirements. Based on our current level of operations, however, we believe that cash flow from operations and available cash, together with available borrowings under our revolving credit facility, will be adequate to meet our liquidity needs for the next 12 months. We cannot assure you, however, that our business will generate sufficient cash flow from operations or that future borrowing will be available to us in an amount sufficient to enable us to service our indebtedness, including the senior secured notes or our revolving credit facility, or to fund our other liquidity needs.

In addition, upon the occurrence of certain events, such as a change of control, we could be required to repay or refinance our indebtedness. We cannot assure you that we will be able to refinance any of our indebtedness, including the senior secured notes or our revolving credit facility, on commercially reasonable terms or at all.

For fiscal 2011, we are expecting $2.0 million of capital expenditures for furniture and fixture replacements, minor plant equipment replacement and minor maintenance. In fiscal 2012, we anticipate the construction of a new manufacturing building in San Marcos, Texas. We estimate that approximately $5.0 million in capital expenditures will be incurred during fiscal 2012 in connection with such expansion.

Nine Months Ended December 31, 2010 (Combined) Compared to the Nine Months Ended December 31, 2009 (Non-GAAP)

Net cash provided by operating activities totaled $19.7 million for the combined YTD 2011 period, compared to $23.2 million for YTD 2010. The decrease in cash flows from operating activities in YTD 2011 compared with YTD 2010 was due in large part to our YTD 2011 net loss of $11.2 million as compared to YTD 2010 net income of $14.8 million, a decrease of $26.0 million. Net income (loss) is adjusted for the non-cash effects of depreciation and amortization, debt cost amortization, stock-based compensation expense and the accounting for deferred income taxes. The effects of these adjustments increased cash flows by $6.5 million in YTD 2011 as compared to YTD 2010. Cash flows from operations in YTD 2011 were negatively impacted by a net increase in operating assets of $16.4 million as compared to YTD 2010. Increases in assets included accounts receivable of $5.1 million as we generated higher accounts receivable due to increased sales and $4.7 million in inventory as we purchased inventory to meet our customers' needs. Cash flows for YTD 2011 were positively impacted by a net combined increase of $32.4 million from accounts payable and accrued liabilities and other noncurrent liabilities in YTD 2011 as compared to YTD 2010. Included in the increase in payables and liabilities is a prepayment of $10.2 million for the purchase of our products by one of our customers. We expect to deliver these products by June 30, 2011. Also included within the overall increase of payables and liabilities were accounts payable of $6.7 million, obligations to settle the CHS Transactions of $3.8 million and accrued compensation expense of $4.1 million.

Net cash used in investing activities totaled $320.7 million for YTD 2011 compared to $1.0 million for YTD 2010. The significant change in cash flows used in investing activities was $318.0 million that represented the purchase price in the Acquisition. Investing activities in YTD 2011 consisted of $1.3 million of capital expenditures and the CHS Transactions. Investing activities in YTD 2010 consisted of $1.0 million of capital expenditures.

Net cash provided by financing activities totaled $308.4 million for YTD 2011, compared to $8.6 million used in financing activities for YTD 2010. Financing activities in YTD 2010 consisted of proceeds from the issuance of $210.0 million of our senior secured notes, $129.2 million received from equity investments in us and $3.8 million in additional obligations related to the CHS Transactions. In YTD 2010, we paid a dividend to our former owners of $8.6 million.

Year Ended March 31, 2010 Compared to Year Ended March 31, 2009 and Year Ended March 31, 2009 Compared to Year Ended March 31, 2008 (Combined) (Non-GAAP)

Net cash provided by (used in) operating activities totaled $24.7 million for fiscal 2010 compared to $23.7 million for fiscal 2009 and $(1.2) million for the combined fiscal 2008 periods. Cash from operations for both fiscal 2010 and fiscal 2009 was largely the result of net operating income of $18.9 million and $26.4 million, respectively. Fiscal 2008 had a net loss of $21.0 million. The loss in fiscal 2008 was due largely to additional interest expense and transaction fees associated with the Audax Transaction. The loss in fiscal 2008 was offset by an add-back of significant non-cash charges, including depreciation and amortization expense of $15.9 million and deferred income tax expense of

$15.3 million. These items resulted largely from purchase price accounting of the Audax Transaction. In fiscal 2008, there was a significant use of cash in the form of increased accounts receivable in the amount of $16.2 million as we incurred revenue growth of $64 million between fiscal 2007 and fiscal 2008. The fiscal 2009 income from operations included the effect of a deferred tax gain of $11.6 million which was generated when debt was transferred to our Canadian affiliate. This had the effect of reconciling net income downward as a use of cash. This was partially offset favorably by the collection of receivables of $6.4 million. In fiscal 2010, cash was generated through net income after an adjustment of $4.0 million from deferred tax expense.

Net cash used in investing activities totaled $1.6 million for fiscal 2010 compared to $2.3 million for fiscal 2009 and $150.0 million for fiscal 2008. Investing activities in fiscal 2010 consisted of $1.6 million of capital expenditures. Investing activities in fiscal 2009 consisted of $2.7 million of capital expenditures, partially offset by $0.4 million of other investing transactions. Investing activities in fiscal 2008 consisted of $145.9 million net cash paid for Thermon Industries, Inc. associated with the successor acquisition and $4.2 million of capital expenditures primarily due to construction of the Marketing/R&D building in the United States and the mineral insulated cable plant in Canada.

Net cash provided by (used in) financing activities totaled $(8.6) million for fiscal 2010 compared to $(12.3) million for fiscal 2009 and $158.2 million for fiscal 2008. Financing activities in fiscal 2010 consisted of a $8.6 million dividend paid to former equityholders of Thermon Holdings, LLC. Financing activities in fiscal 2009 consisted of $12.3 million of payments on debt and notes payable. Financing activities in fiscal 2008 consisted of $113.0 million of net proceeds from revolving lines of credit, long-term debt and short-term notes payable less debt issuance costs and $34.3 million in proceeds from the issuance of common stock in 2008.

Off-Balance Sheet Arrangements

As of December 31, 2010, we do not have any off balance sheet arrangements. In addition, we do not have any interest in entities referred to as variable interest entities, which includes special purposes entities and other structured finance entities.

Effect of Inflation

While inflationary increases in certain input costs, such as wages, have an impact on our operating results, inflation has had minimal net impact on our operating results during the last three years, as overall inflation has been offset by increased selling prices and cost reduction actions. We cannot assure you, however, that we will not be affected by general inflation in the future.

Quantitative and Qualitative Disclosures about Market Risk

Our primary market risk exposures include the effect of fluctuations in foreign exchange rates, interest rates and commodity prices.

Foreign currency risk relating to operations. We transact business globally and are subject to risks associated with fluctuating foreign exchange rates. Approximately 71% of our YTD 2011 consolidated revenue was generated by sales from our non-U.S. subsidiaries. Our non-U.S. subsidiaries generally sell their products and services in the local currency, but obtain a significant amount of their products from our facilities located in another country, primarily the United States, Canada or Europe. Significant changes in the relevant exchange rates could adversely affect our margins on foreign sales of products. Our non-U.S. subsidiaries incur most of their expenses (other than intercompany expenses) in their local functional currency. These currencies include the Canadian Dollar, Euro, British Pound, Russian Ruble, Australian Dollar, South Korean Won, Chinese Renminbi, Indian Rupee, Mexican Peso, and Japanese Yen.

During fiscal 2010, our largest exposures to foreign exchange rates consisted primarily of the Canadian Dollar and the Euro against the U.S. Dollar. The market risk related to the foreign currency

exchange rates is measured by estimating the potential impact of a 10% change in the value of the U.S. Dollar relative to the local currency exchange rates. The rates used to perform this analysis were based on a weighted average of the market rates in effect during the relevant period. A 10% appreciation of the U.S. Dollar relative to the Canadian Dollar would result in a net decrease in net income of $0.6 million for fiscal 2010. Conversely, a 10% depreciation of the U.S. Dollar relative to the Canadian Dollar would result in a net increase in net income of $0.7 million for fiscal 2010. A 10% appreciation of the U.S. Dollar relative to the Euro would result in a net decrease in net income of $0.4 million for fiscal 2010. Conversely, a 10% depreciation of the U.S. Dollar relative to the Euro would result in a net increase in net income of $0.4 million for fiscal 2010.

The geographic areas outside the United States in which we operate are generally not considered to be highly inflationary. Nonetheless, these foreign operations are sensitive to fluctuations in currency exchange rates arising from, among other things, certain intercompany transactions that are generally denominated in U.S. Dollars rather than their respective functional currencies. The impact of foreign currency transaction gains and losses on our condensed consolidated statements of operations for YTD 2011 was a $0.5 million gain compared to a loss of $1.1 million in YTD 2010.

In order to meet our global cash management needs, we often transfer cash between the U.S. and foreign entities and on occasion between foreign entities. In addition, our debt service requirements are primarily in U.S. Dollars and a substantial portion of our cash flow is generated in foreign currencies, and we may need to repatriate cash to the United States in order to meet our U.S. debt service obligations, including on our senior secured notes. These transfers of cash expose us to currency exchange rate risks, and significant changes in the value of the foreign currencies relative to the U.S. Dollar could limit our ability to meet our debt obligations and impair our financial condition.

Because our consolidated financial results are reported in U.S. Dollars, and we generate a substantial amount of our sales and earnings in other currencies, the translation of those results into U.S. Dollars can result in a significant decrease in the amount of those sales and earnings. In addition, fluctuations in currencies relative to the U.S. Dollar may make it more difficult to perform period-to-period comparisons of our reported results of operations. The unrealized effect of foreign currency translation was a gain of $1.2 million in YTD 2011, compared to a gain of $6.9 million in YTD 2010 that was recorded in shareholders' equity as other comprehensive income.

We do not currently use options, forward contracts or any derivatives to hedge cash flow currency exposures.

Interest rate risk and foreign currency risk relating to debt. The interest rate for the senior secured notes is fixed at 9.500% while any borrowings on our revolving credit facility will incur interest expense that is variable in relation to the LIBOR rate. At December 31, 2010, the interest rate on amounts outstanding on our revolving credit facility was 5.75%; however, no amounts were outstanding under the facility. Since there were no amounts outstanding on our various revolving lines of credit at December 31, 2010, any change in the interest rate would not have an impact on interest expense for the year.

The senior secured notes are denominated and payable in the U.S. Dollar. Approximately 71% of our consolidated revenue was generated in foreign currency in YTD 2011; therefore, we expect to have to repatriate our cash earnings in foreign locations in order to make interest payments on the senior secured notes. In the event that the U.S. Dollar strengthens relative to the foreign currencies we are repatriating to make scheduled interest payments, we may incur exchange rate losses that are larger than those that we have reported historically.

Commodity price risk. We use various commodity-based raw materials in our manufacturing processes. Generally, we acquire such components at market prices and do not typically enter into long-term purchase commitments with suppliers or hedging instruments to mitigate commodity price risk. As

a result, we are subject to market risks related to changes in commodity prices and supplies of key components of our products. Historically, the costs of our primary raw materials have been stable and readily available from multiple suppliers. Typically, we have been able to pass on raw material cost increases to our customers. We cannot provide any assurance, however, that we may be able to pass along such cost increases to our customers or source sufficient amounts of key components on commercially reasonable terms or at all in the future, and if we are unable to do so, our results of operations may be adversely affected.

Critical Accounting Policies and Estimates

The preparation of our financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and related disclosures of contingent assets and liabilities. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances, and we evaluate these estimates on an ongoing basis. Our critical accounting policies are those that materially affect our financial statements and involve difficult, subjective or complex judgments by management. Our most significant financial statement estimates include revenue recognition, allowances for bad debts, warranty reserves, inventory reserves and potential litigation claims and settlements.

Although these estimates are based on management's best knowledge of current events and actions that may impact the company in the future, actual results may be materially different from the estimates.

Revenue recognition. Revenues from sales of products are recognized when persuasive evidence of an agreement exists, delivery of the product has occurred, the fee is fixed or determinable, and collectability is probable.

Construction contract revenues are recognized using the percentage-of-completion method, primarily based on contract costs incurred to date compared with total estimated contract costs. Changes to total estimated contract costs or losses, if any, are recognized in the period they are determined. Revisions in cost estimates as contracts progress have the effect of increasing or decreasing profits in the current period. Revenues recognized in excess of amounts billed are classified as costs and estimated earnings in excess of billings on uncompleted contracts. Essentially all of such amounts are expected to be billed and collected within one year and are classified as current assets. Billings in excess of costs and estimated earnings on uncompleted contracts are classified as current liabilities. When reasonably dependable estimates cannot be made, construction contract revenues are recognized using the completed contract method.

Estimating allowances, specifically the allowance for doubtful accounts and the adjustment for excess and obsolete inventories. We make estimates about the uncollectability of our accounts receivable. We specifically analyze accounts receivable, historical bad debts, customer concentrations, customer credit-worthiness and current economic trends when evaluating the adequacy of our allowance for doubtful accounts. Our allowance for doubtful accounts was $1.3 million and $1.8 million at December 31, 2010 and March 31, 2010, respectively.

We also write down our inventory for estimated obsolescence or unmarketable inventory equal to the difference between the cost of inventory and estimated fair value based on assumptions of future demand and market conditions. Our allowance for excess and obsolete inventories was $1.5 million and $1.2 million at December 31, 2010 and March 31, 2010, respectively.

Our allowance for the warranty on our sold products and installations was $1.0 million and $0.7 million at December 31, 2010 and March 31, 2010, respectively.

Significant judgments and estimates must be made and used in connection with establishing these allowances. If our assumptions used to calculate these allowances do not comport with our future

ability to collect outstanding receivables, actual demand for our inventory, or the number of products and installations returned under warranty, additional provisions may be needed and our future results of operations could be adversely affected.

Valuation of long-lived, goodwill and other intangible assets. Separable intangible assets that have finite lives are amortized over their useful lives. Goodwill and indefinite lived intangible assets are not amortized, but are reviewed for impairment annually, or more frequently if impairment indicators arise. In making this assessment, management relies on a number of factors including operating results, business plans, economic projections, anticipated future cash flows, transactions and market place data. There are inherent uncertainties related to these factors and management's judgment in applying them to the analysis of goodwill impairment. GAAP requires that "push down" accounting be applied for wholly owned subsidiaries if the ownership is 95 percent or more. In connection with the CHS Transactions, goodwill has been allocated to our entities in the United States, Canada and Europe accordingly. As such, we have identified three reporting units: United States, Canada and Europe, for goodwill impairment testing, which are at a level below our one operating segment. Factors considered important which could trigger an impairment review include the following:

- significant underperformance relative to expected historical or projected future operating results;
- significant changes in the manner of our use of the acquired assets or the strategy for our overall business; and
- significant negative industry or economic trends.

When testing for goodwill impairment, we follow the guidance prescribed in ASC 350, *Intangibles—Goodwill and Other*. First, we perform a step I goodwill impairment test to identify a potential impairment. In doing so, we compare the fair value of a reporting unit with its carrying amount. If the carrying amount of a reporting unit exceeds its fair value, goodwill may be impaired and a step II goodwill impairment test is performed to measure the amount of any impairment loss. In the step II goodwill impairment test, we compare the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds its fair value, an impairment loss is recognized in an amount equal to the excess. The implied fair value of goodwill is determined in the same manner that the amount of goodwill recognized in a business combination is determined. We allocate the fair value of a reporting unit to all of the assets and liabilities of that unit, including intangible assets, as if the reporting unit had been acquired in a business combination. Any excess of the value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill.

Estimates about fair value used in the step I goodwill impairment tests have been calculated using an income approach based on the present value of future cash flows of each reporting unit. The income approach has been generally supported by additional market transaction and guideline analyses. These approaches incorporate a number of assumptions including future growth rates, discount rates, and income tax rates in assessing fair value. Changes in economic and operating conditions impacting these assumptions could result in goodwill impairments in future periods.

When it is determined that the carrying value of intangibles, long-lived assets and related goodwill may not be recoverable based upon the existence of one or more of the above indicators of impairment, the measurement of any impairment is determined and the carrying value is reduced as appropriate. As of December 31, 2010, we had goodwill of approximately $116.6 million, including the impact of the CHS Transactions. There have been no impairments of goodwill during the nine months ended December 31, 2010 and 2009.

Business combinations. We allocated the purchase price in connection with the CHS Transactions to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the purchase price over these fair values is recorded as goodwill.

We engage independent third-party appraisal firms to assist us in determining the fair values of assets acquired and liabilities assumed. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. The significant purchased intangible assets recorded by us include trademarks, customer relationships, backlog and developed technology. The fair values assigned to the identified intangible assets are discussed in detail in note 6 to the unaudited condensed consolidated financial statements included elsewhere in this prospectus.

Critical estimates in valuing certain intangible assets include, without limitation, future expected cash flows from customer relationships, acquired developed technologies and trademarks and discount rates. While we use our best estimates and assumptions as a part of the purchase price allocation process to accurately value assets acquired and liabilities assumed at the acquisition date, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we record adjustments to the assets acquired and liabilities assumed, with the corresponding offset to goodwill. Upon the conclusion of the measurement period or final determination of the values of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to our consolidated statements of operations.

Accounting for business combinations requires our management to make significant estimates and assumptions, especially at the acquisition date with respect to intangible assets, support obligations assumed, estimated restructuring liabilities and pre-acquisition contingencies. Although we believe the assumptions and estimates we have made in the past have been reasonable and appropriate, they are based in part on historical experience and information obtained from the management of the acquired companies and are inherently uncertain.

Unanticipated events and circumstances may occur that may affect the accuracy or validity of such assumptions, estimates or actual results.

For a given acquisition, we may identify certain pre-acquisition contingencies as of the acquisition date and may extend our review and evaluation of these pre-acquisition contingencies throughout the measurement period (up to one year from the acquisition date) in order to obtain sufficient information to assess whether we include these contingencies as a part of the purchase price allocation and, if so, to determine their estimated amounts.

If we determine that a pre-acquisition contingency (non-income tax related) is probable in nature and estimable as of the acquisition date, we record our best estimate for such a contingency as a part of the preliminary purchase price allocation. We often continue to gather information for and evaluate our pre-acquisition contingencies throughout the measurement period and if we make changes to the amounts recorded or if we identify additional pre-acquisition contingencies during the measurement period, such amounts will be included in the purchase price allocation during the measurement period and, subsequently, in our results of operations.

In addition, uncertain tax positions and tax related valuation allowances assumed in connection with a business combination are initially estimated as of the acquisition date and we reevaluate these items quarterly with any adjustments to our preliminary estimates being recorded to goodwill provided that we are within the measurement period and we continue to collect information in order to determine their estimated values. Subsequent to the measurement period or our final determination of the uncertain tax positions estimated value or tax related valuation allowances, changes to these uncertain tax positions and tax related valuation allowances will affect our provision for income taxes in our consolidated statement of operations and could have a material impact on our results of operations and financial position.

See note 6 to the unaudited condensed consolidated financial statements included elsewhere in this prospectus for further discussion related to subsequent adjustments.

Accounting for income taxes. We account for income taxes under the asset and liability method that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in our financial statements or tax returns. Judgment is required in assessing the future tax consequences of events that have been recognized in our financial statements or tax returns. Variations in the actual outcome of these future tax consequences could materially impact our financial position, results of operations or effective tax rate.

Significant judgment is required in determining our worldwide income tax provision. In the ordinary course of a global business, there are many transactions and calculations where the ultimate tax outcome is uncertain. Some of these uncertainties arise as a consequence of revenue sharing and cost reimbursement arrangements among related entities, the process of identifying items of revenues and expenses that qualify for preferential tax treatment, and segregation of foreign and domestic earnings and expenses to avoid double taxation. Although we believe that our estimates are reasonable, the final tax outcome of these matters could be different from that which is reflected in our historical income tax provisions and accruals. Such differences could have a material effect on our income tax provision and net income in the period in which such determination is made.

In estimating future tax consequences, all expected future events are considered other than enactments of changes in tax laws or rates. Valuation allowances are established when necessary to reduce deferred tax assets to amounts which are more likely than not to be realized. We consider future growth, forecasted earnings, future taxable income, the mix of earnings in the jurisdictions in which we operate, historical earnings, taxable income in prior years, if carryback is permitted under the law, and prudent and feasible tax planning strategies in determining the need for a valuation allowance. In the event we were to determine that we would not be able to realize all or part of our net deferred tax assets in the future, an adjustment to the deferred tax assets valuation allowance would be charged to earnings in the period in which we make such a determination, or goodwill would be adjusted at our final determination of the valuation allowance related to an acquisition within the measurement period. If we later determine that it is more likely than not that the net deferred tax assets would be realized, we would reverse the applicable portion of the previously provided valuation allowance as an adjustment to earnings at such time. We expect to establish a valuation allowance in the 2011 fiscal year, as we expect a comparable amount of foreign taxes paid on repatriated earnings will not be currently recoverable against U.S. income taxes, and future recoverability is not reasonably assured at this time.

The amount of income tax we pay is subject to ongoing audits by federal, state and foreign tax authorities, which often result in proposed assessments. Our estimate of the potential outcome for any uncertain tax issue is highly judgmental. A description of our accounting policies associated with tax related contingencies assumed as a part of a business combination is provided under "—Business Combinations" above. For those tax related contingencies that are not a part of a business combination, we account for these uncertain tax issues pursuant to ASC 740, *Income Taxes*, which contains a two-step approach to recognizing and measuring uncertain tax positions taken or expected to be taken in a tax return. The first step is to determine if the weight of available evidence indicates that it is more likely than not that the tax position will be sustained on audit, including resolution of any related appeals or litigation processes. The second step is to measure the tax benefit as the largest amount that is more than 50% likely to be realized upon ultimate settlement. Although we believe we have adequately reserved for our uncertain tax positions, no assurance can be given with respect to the final outcome of these matters. We adjust reserves for our uncertain tax positions due to changing facts and circumstances, such as the closing of a tax audit, judicial rulings, refinement of estimates or realization of earnings or deductions that differ from our estimates. To the extent that the final outcome of these matters is different than the amounts recorded, such differences generally will impact our provision for income taxes in the period in which such a determination is made. Our provisions for

income taxes include the impact of reserve provisions and changes to reserves that are considered appropriate and also include the related interest and penalties.

Loss contingencies. We accrue for probable losses from contingencies including legal defense costs, on an undiscounted basis, when such costs are considered probable of being incurred and are reasonably estimable. We periodically evaluate available information, both internal and external, relative to such contingencies and adjust this accrual as necessary. Disclosure of a contingency is required if there is at least a reasonable possibility that a loss has been incurred. In determining whether a loss should be accrued we evaluate, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. Changes in these factors could materially impact our financial position or our results of operation. In the nine months ended December 31, 2010, we reduced our reserve for compliance costs from $0.7 million to $0.1 million due to the settlement with OAC of allegations that certain of our subsidiaries had committed apparent violations of antiboycott laws.

Stock-based compensation expense. We account for share-based payments to employees in accordance with ASC 718, *Compensation—Stock Compensation*, which requires that share-based payments (to the extent they are compensatory) be recognized in our consolidated statements of operations based on their fair values. In addition, we have applied certain of the provisions of the SEC's guidance contained in ASC 718 in our accounting for stock-based compensation awards.

As required by ASC 718, we recognize stock-based compensation expense for share-based payments that are expected to vest. In determining whether an award is expected to vest, we use an estimated, forward-looking forfeiture rate based upon our historical forfeiture rates. Stock-based compensation expense recorded using an estimated forfeiture rate is updated for actual forfeitures quarterly. To the extent our actual forfeitures are different than our estimates, we record a true-up for the differences in the period that the awards vest, and such true-ups could materially affect our operating results. We also consider on a quarterly basis whether there have been any significant changes in facts and circumstances that would affect our expected forfeiture rate.

We are also required to determine the fair value of stock-based awards at the grant date. This determination requires judgment, including estimating expected volatility. If actual results differ significantly from these estimates, stock-based compensation expense and our results of operations could be impacted.

On October 20, 2010 and October 27, 2010, our board of directors granted employees options to purchase 2,648,402 shares of our common stock, each with an exercise price of $5.20 per share, pursuant to the terms of our existing restricted stock and stock option plan. In March 2011, our board of directors granted employees additional options to purchase 109,122 shares of our common stock pursuant to the terms of our existing restricted stock and stock option plan. Due to the small number of options, the compensation expense related to this grant is not material to our results of operations.

All such options become eligible for vesting in five equal tranches, with the portion of each tranche that vests determined by the board of directors based on the attainment of our annual financial performance objectives as established by the board of directors on an annual basis. Accordingly, we estimate the likelihood of vesting based on periodic performance. We determined that the commencement of vesting in fiscal 2011 was likely and therefore recorded an initial stock-based compensation expense of $0.7 million during the nine months ended December 31, 2010 (which included $50,000 of stock-based compensation expense related to 9,623 shares of common stock issued to an employee of one of our foreign subsidiaries under our restricted stock and stock option plan during the nine months ended December 31, 2010). As of December 31, 2010, the estimated unrecognized stock-based compensation expense for the remainder of fiscal 2011 was $0.6 million.

We estimate the fair values of employee stock options using a Black-Scholes-Merton valuation model. The fair value of an award is affected by the fair value of our common stock on the date of grant as well as other assumptions including the estimated volatility of our stock price over the term of the awards and the estimated period of time that we expect employees to hold their stock options. Fair value of our common stock at the time of the October 20, 2010 and October 27, 2010 option grants was estimated to be $5.20 per share, which was equivalent to the per share price of our common stock in the Acquisition and determined in arm's length negotiations between the Audax Group and our sponsors in connection with the Acquisition. We believe that $5.20 per share continued to represent the fair value of our common stock at the time such options were granted as our business had not fundamentally changed since the Acquisition. Due to the fact that the common stock underlying the options is not publicly traded, the expected volatility is based on a comparable group of companies. The expected term is based on the simplified method due to the lack of historical exercise data. As discussed below under "Management—Compensation of directors," during the quarter ended December 31, 2010, our two outside independent directors purchased a total of 48,115 shares of our common stock for $5.20 per share. No other new issuances of shares of our common stock have occurred since the closing of the Acquisition on April 30, 2010. Other assumptions included an estimated volatility of 45%, life of option of 6.66 years, risk free rate of 2.02% and no dividend assumption. The weighted-average estimated grant date fair value for employee stock options granted was $2.47 per share during the nine months ended December 31, 2010. No stock options were granted in any prior period presented.

Pursuant to the outstanding stock option agreements, all outstanding option awards will vest and become exercisable immediately prior to the consummation of this offering. In the event that the offering is completed, we will record stock-based compensation expense for all unvested outstanding option awards in the period in which the offering is completed. Assuming this offering is completed in the first quarter of fiscal 2012, we estimate that the total stock-based compensation expense we will record will be in the range of approximately $5 to $6 million.

Recent Accounting Pronouncements

In October 2009, the FASB issued an Accounting Standards Update, or ASU, that amended the accounting rules addressing revenue recognition for multiple-deliverable revenue arrangements by eliminating the criterion for objective and reliable evidence of fair value for the undelivered products or services. Instead, revenue arrangements with multiple deliverables should be divided into separate units of accounting provided the deliverables meet certain criteria. Additionally, the ASU provides for elimination of the use of the residual method of allocation and requires that arrangement consideration be allocated at the inception of the arrangement to all deliverables based on their relative selling price. A hierarchy for estimating such selling price is included in the update. This ASU will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is permitted. We are currently evaluating whether this update will have an impact on our consolidated financial statements.

BUSINESS

Our Business

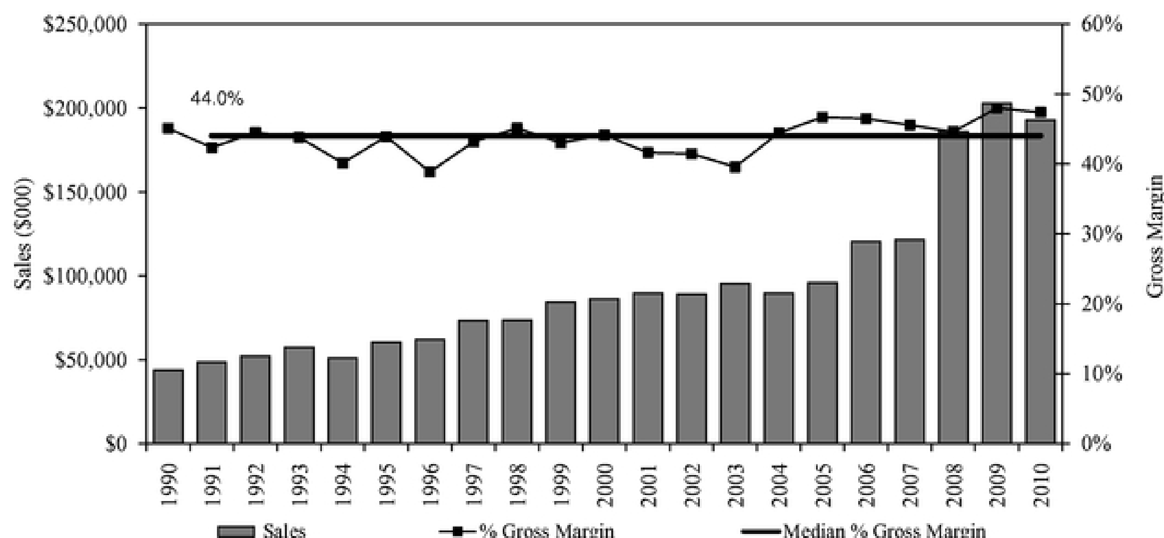
We are one of the largest providers of highly engineered thermal solutions for process industries. For over 50 years, we have served a diverse base of thousands of customers around the world in attractive and growing markets, including energy, chemical processing and power generation. We are a global leader and one of the few thermal solutions providers with a global footprint and a full suite of products (heating cables, tubing bundles and control systems) and services (design optimization, engineering, installation and maintenance services) required to deliver comprehensive solutions to complex projects. We serve our customers locally through a global network of sales and service professionals and distributors in more than 30 countries and through our four manufacturing facilities on three continents. These capabilities and longstanding relationships with some of the largest multinational energy, chemical processing, power and EPC companies in the world have enabled us to diversify our revenue streams and opportunistically access high growth markets worldwide. For the nine months ended December 31, 2010, 71% of our revenues were generated outside of the United States.

Our thermal solutions, also referred to as heat tracing, provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature and flow maintenance, environmental monitoring, and surface snow and ice melting. Customers typically purchase our products when constructing a new facility, which we refer to as Greenfield projects, or when performing maintenance, repair and operations on a facility's existing heat-traced pipes or upgrading or expanding a current facility, which we refer to collectively as MRO/UE. A large processing facility may require our thermal solutions for a majority of its pipes, with the largest facilities containing hundreds of thousands of feet of heat-tracing cable and thousands of control points. Our products are low in cost relative to the total cost of a typical processing facility, but critical to the safe and profitable operation of the facility. These facilities are often complex, with numerous classified areas that are inherently hazardous and where product safety concerns are paramount. We believe that our strong brand and established reputation for safety, reliability and customer service are critical contributors to our customers' purchasing decisions.

Our customers' need for MRO/UE solutions provides us with an attractive recurring revenue stream. Customers typically use the incumbent heat tracing provider for MRO/UE projects to avoid complications and compatibility problems associated with switching providers. We typically begin to realize meaningful MRO/UE revenue from new Greenfield installations one to three years after completion of the project as customers begin to remove and replace our products during routine and preventative maintenance on in-line mechanical equipment, such as pipes and valves. As a result, our growth has been driven by new facility construction, as well as by servicing our continually growing base of solutions installed around the world, which we refer to as our installed base. Approximately 60% of our revenues for fiscal 2010 were derived from such MRO/UE activities.

We have a long history of strong organic revenue growth and stable gross margins through a variety of economic cycles. Specifically, as depicted in the chart below, our revenues have grown in 17 of the past 21 fiscal years, and our gross margins have averaged 44% over that period. In addition, we have generated significant growth in both revenue and profitability in recent years. Our revenue grew by 59% to $192.7 million for fiscal 2010 from $121.4 million for fiscal 2007, and gross profit grew by 65% to $91.3 million from $55.3 million over the same period. For the nine months ended December 31, 2010, we achieved revenue of $179.0 million, gross profit of $73.7 million, a net loss of $11.2 million and Adjusted EBITDA of $43.8 million and 71% of our revenues were generated outside of the United States. See note 9 to the "Selected Historical and Pro Forma Consolidated Financial and Operating Data" table. Furthermore, our backlog of signed purchase orders has grown significantly in recent years, fueled by growing global energy demand. As of December 31, 2010, we reported backlog of signed purchase orders of approximately $79.7 million, an increase of 53% from $52.2 million as of March 31, 2007.

The following table summarizes our sales, gross margins and median gross margins from 1990 to 2010:



We were founded as a partnership in October 1954 and later incorporated in Texas in 1960. At that time, our primary product was a thermally conductive heat transfer compound invented by our founder, Richard Burdick. Under Mr. Burdick's leadership, we experienced steady growth by diversifying our products and expanding our geographic reach. Mr. Burdick and his family maintained a controlling interest in us until August 2007, when the controlling interest was sold to an affiliate of the Audax Group private equity firm in the Audax Transaction. During Audax's tenure as our majority owner, we positioned ourselves to take advantage of rising demand in the energy end market and secured significant capital projects. On April 30, 2010, the Audax Group sold its controlling interest in us in the Acquisition. Over the last five years, our management team has focused on significant organic growth opportunities, particularly in high growth markets such as the Canadian oil sands region and Russia.

Our Industry

Alvarez & Marsal Private Equity Performance Improvement Group, LLC, or A&M, estimates that the market for industrial electric heat tracing is approximately $1 billion in annual revenues and estimates that it is growing its share of the overall heat tracing market as end users appear to continue to favor electric heat tracing solutions over steam heat tracing solutions for new installations. When revenues for steam heat tracing parts are included, A&M estimates the overall addressable market for heat tracing is approximately $2 billion in annual revenues. The industrial electric heat tracing industry is fragmented and consists of approximately 40 companies that typically only serve discrete local markets with manufactured products and provide a limited service offering. We believe that we are the second largest participant in the industrial electric heat tracing market and significantly larger than our next largest competitor. Heat tracing providers differentiate themselves through the quality and reputation of their products, the length and quality of their customer relationships and their ability to provide comprehensive solutions. Large multinational companies drive the majority of spending for the types of major industrial facilities that require heat tracing, and we believe that they prefer providers who have a global footprint and a comprehensive suite of products and services. We believe we are one of only a few companies that meets these criteria.

Favorable industry trends in our principal end markets. The major end markets that drive demand for heat tracing include energy, petrochemical and power generation. We believe that there are attractive near- to medium-term trends in each of these end markets. In addition, we believe that the

growth rate of the electric heat tracing market is accelerating as end-users continue to favor electric-based heat tracing solutions over steam-based heat tracing solutions for new installations.

- ***Energy.*** Heat tracing is used to facilitate the processing, transportation and freeze protection of energy products in both upstream and downstream oil and gas applications. We believe that the industrialization of developing regions of the world will fuel continued energy demand that will require additional upstream and downstream infrastructure, leading to increased demand for heat tracing. According to the Energy Information Administration, which we refer to as the EIA, global energy consumption is expected to increase 49% from 2007 to 2035 as economies in both developed and emerging countries continue to grow and standards of living improve. In order to meet growing demand and offset natural declines in existing oil and gas production, a significant increase in capital expenditures in upstream infrastructure will be required, with a particular focus on reservoirs that are in harsher climates, are deeper or have other complex characteristics that magnify the need for heat tracing. According to Wood Mackenzie, a leading independent energy research and consulting firm, as of October 2010, global upstream development expenditures are expected to increase 11% to approximately $420 billion in 2013 from approximately $380 billion in 2010. Key areas of growth for heat tracing include Canada and Russia/Kazakhstan due to their harsh climates. According to Purvin and Gertz, or P&G, Canadian oil production is expected to grow from 2.7 million barrels of oil per day, or MMbbl/d, in 2010 to 3.2 MMbbl/d in 2015, driven primarily by increases in production from oil sands. Furthermore, over the same time period, P&G projects oil sands-related capital expenditures in Canada to grow from $11 billion to $20 billion. In Russia/Kazakhstan, P&G projects oil production to grow from 10.0 MMbbl/d in 2010 to 11.5 MMbbl/d in 2015, with approximately 1.4 MMbbl/d of production coming from new production that offsets declines in existing production. An increase in upstream production coupled with increased demand for refined products will require a corresponding increase in downstream refining capacity. Key areas for demand growth in refined products applications include the Middle East and Asia. According to P&G, demand for refined products in the Middle East is expected to grow from 5.2 MMbbl/d in 2010 to 7.4 MMbbl/d in 2025, or a 42% increase. Similarly, demand for refined products in Asia is expected to grow from 21.2 MMbbl/d in 2010 to 30.6 MMbbl/d in 2025, or a 44% increase. Finally, we believe that we will benefit from stricter environmental compliance and regulatory requirements. The equipment used to monitor environmental compliance often requires heat tracing intensive solutions.

- ***Chemical Processing.*** Across the spectrum of chemical production facilities (such as specialty, commodity, pharmaceutical and agricultural), heat tracing is required for temperature maintenance and freeze protection. The corrosive nature of certain chemicals shortens the life cycle of in-line mechanical equipment attached to pipes such as valves, pumps and filters, thereby accelerating and increasing demand for MRO/UE solutions in this end market. Factors that may impact heat tracing demand in chemicals end markets include the rapid industrialization of the developing world, a shift in base chemical processing operations to low-cost feedstock regions, a transition of Western chemical processing activities from commodity products to specialty products and environmental compliance. According to the American Institute of Chemical Engineers, global capital spending by the chemical processing industry is estimated to increase to $418.4 billion, representing a compound annual growth rate of 11.1% from 2010 to 2015. We believe that our global presence positions us to take advantage of this expected future growth.

- ***Power Generation.*** Heat tracing is required in high-temperature processes, freeze protection and environmental regulation compliance in coal and gas facilities and for safety injection systems in nuclear facilities. An important driver of demand for heat tracing solutions for power generation is increasing demand for electricity worldwide. According to the EIA, global net electricity generation is projected to increase 87% between 2007 and 2035. We believe capital spending on

new and existing power generation infrastructure will be required to meet this demand. In addition, compliance with stricter regulatory environmental standards is also driving demand for heat tracing equipment used in emissions testing applications in segments of the power generation end-market. The Clean Air Act, the Clean Air Mercury Rule, the European Union Emissions Trading System, China's National Climate Change Program and the United Nations Framework Convention on Climate Change are examples of recent rule changes, proposals and other initiatives aimed at improving emissions standards.

- ***Continuing selection of electric-based heat tracing solutions over steam-based solutions.*** Beginning in the 1960s, electric heat tracing products entered the market as an alternative to steam heat tracing products. While steam-based products are still used today for heavy oil, chemical and processing applications, electric-based products generally offer greater cost savings and operating efficiencies. As a consequence, Greenfield projects commissioned in recent years are increasingly designed to incorporate electric heat tracing. We believe the continuing selection of electric-based products over steam-based products represents a favorable long-term industry trend for the industrial electric heat tracing market.

Our Competitive Strengths

We believe that the following strengths differentiate us from our competitors:

We have access to attractive high growth sectors of our global addressable market. We have a network of sales and service professionals and distributors in more than 30 countries and a manufacturing footprint that includes four facilities on three continents. This footprint allows us to diversify our revenue streams and opportunistically access the most attractive regions and sub-sectors of our markets. Global growth and development has driven increased demand for energy, chemical products and electricity worldwide, particularly in emerging markets. Largely as a result of this growing demand, our revenue grew at a compound annual growth rate of 8% from fiscal 1990 to fiscal 2010 with a significant portion generated by end-users in upstream oil and gas markets. Going forward, we expect that the continuing industrialization of the developing world will push the search for energy resources to increasingly harsh cold weather countries, including Canada and Russia, where demand for our products is magnified, and strong petrochemical demand in China and India has led to a shift in chemical production to the Asia-Pacific region. We have a strong, established local presence in each of these markets.

We are a global market leader. We believe that we are the second largest industrial electric heat tracing company in the world, significantly larger than our next largest competitor and one of only a few solutions providers with a comprehensive suite of products and services, global capabilities and local on-site presence. Over our 56-year history, we have developed an installed base operated by thousands of customers and long-standing relationships with some of the largest multinational energy, chemical processing, power and EPC companies in the world that drive the majority of spending decisions for the major facilities that require our products. We believe these multinational companies prefer providers with our scale, global presence and comprehensive product and service offering. We believe such strengths create significant barriers to entry and position us well to take advantage of positive industry trends in high growth markets around the world.

Our highly engineered solutions are "mission critical" to our customers. Reliable thermal solutions are critical to the safe and profitable operation of our customers' facilities. These facilities are often complex, with numerous classified areas that are inherently hazardous and where product safety concerns are paramount. Therefore, we believe that our customers consider safety, reliability and customer service to be the most important purchase criteria for our products. We are a leader in the national and international standards setting process for the heat tracing industry and hold leadership positions on numerous industry standards development organizations, such as the Institute of Electrical and Electronics Engineers, or the IEEE, where one of our employees currently chairs the IEEE

Standards Association's Standards Board. Our participation with these organizations helps us to better serve our customers by promoting the development of internationally recognized specifications for products that ensure safety, reliability and functionality. We believe that our favorable industry reputation and long track record of safety, reliability and technological innovation create competitive benefits, including long-standing customer relationships, a defensible market position and significant barriers to entry.

Our favorable business model positions us to achieve attractive financial results. The following features of our business model contribute to our attractive financial results:

- ***Existing installed base generates significant recurring revenue.*** On average, annual MRO/UE expenditures generated from an installed heat tracing system are approximately 5 to 10% of the initial cost of the system and expansions may require approximately 10 to 20% of the initial cost of the system. We estimate that approximately 60% of our revenues in fiscal 2010 were generated from MRO/UE sales. Throughout our 56-year history, we have grown our global base of installed systems and believe that today we have the second largest installed base in the industrial electric heat tracing industry. As we continue to complete new Greenfield installations, we believe that, subject to customers' continuing capital and maintenance expenditures, our growing global installed base of heat tracing solutions will drive increased MRO/UE business. In order to avoid complications or compatibility problems associated with switching providers, customers often use the incumbent heat tracing provider for MRO/UE projects.

- ***Diversified, global customer base and end markets.*** Over the past five decades, we have sold our solutions to thousands of customers in more than 90 countries, serving a broad range of end-market applications. For the nine months ended December 31, 2010, approximately 71% of our revenues were generated outside of the United States, including in emerging markets. The diversity of our customer base and end markets limits our exposure to any individual industry sector or geographic region and provides us with an opportunity to leverage our global footprint to access the most attractive high growth sectors of our end markets.

- ***Strong revenue visibility.*** We believe that we have strong visibility into our future revenue as a result of recurring demand that we expect will be generated from our global installed base, a growing backlog of signed purchase orders (backlog at December 31, 2010 was $79.7 million compared to $68.4 million at December 31, 2008) and a robust pipeline of planned projects. Our visibility into the timing of our recognition of revenue out of backlog is not always certain, particularly with larger projects; however, our solutions are ordered and installed toward the end of Greenfield project construction, and therefore, historically, purchase orders have rarely been cancelled.

- ***Consistent gross margins and cash flow generation.*** We have a long history of stable gross margins and positive operating cash flow through a variety of economic cycles. We have consistently had positive income from operations, and gross margins have averaged 44% over the past 21 fiscal years. We believe that the growth in our gross margins is largely attributable to our customers' recognition of the value and reliability of our heat tracing solutions and our ability to deliver a comprehensive suite of design and engineering services, including turnkey solutions. In addition, we have a highly variable cost structure with limited capital expenditures required to maintain our business.

Our management team has a proven track record. Our senior management team averages approximately 22 years of experience with us and is responsible for growing Thermon through a variety of business cycles, building our global platform and developing our reputation for quality and reliability in the heat tracing industry. Our senior management and key employees will continue to have a significant equity stake in Thermon following this offering.

Our Growth Strategy

Our business strategy is designed to capitalize on our competitive strengths. Key elements of our strategy include:

Capitalize on our leading market position to continue pursuing organic growth opportunities. Our primary growth engine has traditionally been organic expansion. We will continue to focus on strategically building the necessary global sales infrastructure to expand our footprint in high growth markets. We believe that this footprint and our local presence are attractive to our customers and differentiate us from other industry participants. We expect to continue to pursue growth opportunities in emerging markets and across industry sectors in the future.

Leverage our installed base to expand our recurring revenue stream. Once the MRO/UE cycle begins, we typically realize MRO/UE revenues, which are typically higher margin than Greenfield revenues, over the life of each installation. As we continue to grow our large, global installed base with new Greenfield projects, we expect to generate incremental MRO/UE revenues related to these new projects as a result of our incumbent position and existing relationships with such customers. We typically begin to realize meaningful MRO/UE revenue streams from our new Greenfield installations one to three years after completion of the project as customers begin to discard our products in order to perform routine and preventative maintenance on in-line mechanical equipment. Since the beginning of fiscal 2008 through December 31, 2010, we estimate that we have realized approximately $290 million in revenues from Greenfield projects, which represents a meaningful opportunity for us to create MRO/UE revenues in the future. A key component of our strategy will be to continue to focus our sales organization on systematically pursuing the addressable aftermarket revenue opportunity associated with our installed base.

Drive growth through alliances with major customers and suppliers. We have developed strategic alliances with other industry participants in order to enhance our growth opportunities. We have entered into framework agreements with several of our largest, multinational customers that typically designate us as the sole or a "pre-qualified" heat tracing provider for projects in which such customers are involved. As a result, these agreements have facilitated our involvement in, and provided us with a competitive advantage over our competitors when bidding for, new Greenfield and MRO/UE projects and helped us identify incremental revenue opportunities for our solutions. We intend to enter into similar agreements with certain suppliers of complementary products that will allow us to take mutual advantage of our customer relationships and enhance our cross-selling opportunities.

Continue to offer solutions that support evolving environmental applications. A portion of our recent growth has been driven by the use of our products in alternative energy initiatives, including carbon capture, thermal solar and coal gasification facilities. In addition, our products help our customers monitor their facilities' environmental or other regulatory compliance. For example, we offer specialized heat traced tube bundles that allow our customers with coal fired power plants to effectively monitor their emissions under recent U.S. Environmental Protection Agency guidelines. We believe these end markets have the potential for high growth in the United States and abroad, and we intend to continue to focus on driving growth by providing solutions that address our customers' evolving environmental application needs.

Selectively pursue investment opportunities.

- Given the fragmented nature of the heat tracing industry, we believe that there will be opportunities to pursue value-added acquisitions at attractive valuations in the future. We plan to assess these opportunities with a focus on augmenting our extensive geographic footprint, broadening our product and service offering, expanding our technological capabilities and capitalizing on potential operating synergies.

- We plan to pursue strategic investment opportunities such as the expansion of our principal manufacturing facility in San Marcos, Texas, which we expect to be substantially complete during fiscal 2012. We expect this current expansion will serve our production capacity needs for at least five years based on our current business plan. Additionally, the expansion will provide us with the capabilities to consider additional product lines.

Segments

We have defined our one operating segment based on geographic regions. See Note 14 to our consolidated financial statements and the notes thereto for the fiscal years ended March 31, 2010, March 31, 2009 and March 31, 2008 contained elsewhere in this prospectus for geographic financial data relating to our business.

Products and Services

Our products include a wide range of electric heat tracing cables, steam tracing components, and tubing bundles, as well as instrument and control products, including:

- Self-regulating & power limiting heating cables: automatically increase or decrease heat output as pipe temperature changes;

- Mineral insulated, or MI, cables: high performance heat tracing cable for exposures to high temperatures in harsh environments;

- Heat traced tube bundles for environmental gas sampling systems;

- Heat transfer compounds and steam tracers for comprehensive steam tracing solutions;

- Control and monitoring systems for electric tracing of pipes, tanks, hoppers and instrument sampling systems; and

- Turnkey solutions that provide customers with complete solutions for heat tracing, including design, optimization, installation and on-going maintenance.

Electric Heat Tracing Applications

We manufacture critical components of an electric heat tracing system, including heating cables, control and monitoring systems and heating systems for tanks and hoppers. We customize these products to fit the specific design parameters for each client's installation. We offer various electric heating cables, including conductive polymer self-regulating heating cables, power limiting cables and MI high temperature heating cables.

Self-regulating heating cables—Our self-regulating heating cables are thermoplastically insulated and engineered to automatically increase or decrease heat output as pipe or vessel temperature changes. BSX™ self-regulating cables are designed to provide freeze protection or process temperature maintenance to metallic and non-metallic piping, vessels and equipment. HTSX self-regulating heating cable is suitable for heat tracing applications involving crude oil and most chemicals. VSX™ premium self-regulating cable is rated for maintenance temperatures of 300°F/149°C and exposure temperatures of up to 450°F/232°C and has among the highest self-regulating temperature ratings in the industry. VSX™ is well suited for the heating of complex sulfur piping systems that are located in hazardous environments.

Power-limiting and constant watt heating cables—Power limiting and constant watt heating cables are thermoplastically insulated parallel resistance cables used to heat trace piping in lengths longer than 200 feet. Such intermediate lengths of pipe are commonly found in pipe racks that connect process units within the plant. These heaters allow longer lengths between power supply points than self-regulating cables.

TEK™ HTEK™ and MIQ™ cables—The TEK™ and HTEK™ series resistance, constant watt, thermoplastically insulated heating cables are used where circuit lengths exceed the limitations of parallel resistance heating cables. By using series constant watt heating cables, a single power supply point can energize circuit lengths up to 12,000 feet. MIQ™ high performance mineral insulated heating cables are used for high temperature maintenance, high temperature exposure and/or high watt density applications that exceed the limitations of thermoplastic insulated cables. MIQ™ cables are composed of a high nickel/chromium alloy sheath, which is well-suited for high temperature service and offers high resistance to stress corrosion in chloride, acid, salt and alkaline environments.

Steam Heat Tracing

In 1954, we began manufacturing heat transfer compounds that greatly improved the heat delivery of steam tracing systems. Today, in addition to the broad range of heat transfer compounds, we also offer steam tracers and tubing bundles that provide our customers with comprehensive steam tracing solutions. We manufacture our heat transfer compounds in various configurations so that they can be applied to different surfaces, which increases the heat transfer rate of steam or fluid tracers.

Our heat transfer compounds create an efficient thermal connection between the heat tracing system and the process equipment. Through the elimination of air voids, heat is directed into the pipe wall primarily through conduction rather than convection and radiation. This requires fewer tracing pipes to maintain specified temperature requirements, substantially reducing operating and investment cost. Steam tracing offers the most cost effective solution for certain heavy oil and natural gas processing applications.

Temperature Controls and Monitoring

We supply a wide range of control and monitoring products, from simple mechanical thermostats to sophisticated microprocessor-based systems that control and monitor the status of electric heat tracing systems. We provide individual units for smaller projects, as well as multi-point controllers that can be integrated into and communicate with a plant's central operating controls.

A facility's pipes, tanks and other heat-traced equipment can be monitored through various sensors that assess temperature, monitor current usage and detect any potential problems, such as ground faults. Our TraceView control system software, first introduced over 15 years ago, collects and analyzes data from all heat tracing sensors of a facility, which is then analyzed and controlled by a single technician at a workstation.

We are developing a next generation of control system software, which will provide three crucial improvements over currently available applications:

- Process information faster, substantially reducing data collection time at large facilities with thousands of heat tracing circuits;
- Provide for increased data collection and functionality, thereby increasing plant safety and efficiency; and
- Improve communication with distributed control systems, which are used to control equipment (such as valves) in industrial facilities.

Instrumentation

We specialize in pre-insulated and heat-traced tubing bundles with accessories that offer a complete instrument heating system. Our complete range of products includes both electric- and steam-heated bundles containing various types of tubing (such as copper, stainless steel and polymer) to meet the needs of process and environmental applications. Such applications include transporting samples of

gas or liquid in our customized, temperature-controlled tubing bundles to an instrument that typically performs an analysis for purposes of process management or ensuring compliance with internal requirements or applicable environmental laws and regulations.

Tank Insulation and Heating Systems

In 1992, we introduced the ThermaSeam™ Tank Insulation System, which provides a product for insulating large vessels that commonly contain petroleum, chemical, asphalt, anhydrous ammonia, beverages or chilled water for HVAC storage. The design of the ThermaSeam™ Tank Insulation Systems enables installation without the use of scaffolding and is durable, low maintenance and cost-effective. The machine-formed, double-locking standing seams between adjacent panels that create a weatherproof barrier and also extend the entire height of the tank enhance the system's strength and durability. The system's external banding eliminates traditional weak spots in the tank insulation process. In addition to ThermaSeam™, we also offer the RT FlexiPanel® flexible heating panel, designed specifically for use on metallic tanks or vessels.

Hopper Heating

The HT Hopper Heating Module is a self-contained heater designed for operation on surfaces prone to vibration. In cement plants and fossil fuel power facilities, hoppers facilitate the filtering of a facility's ash emissions. Hopper heaters maintain the walls of the hopper at a temperature above the dew point to prevent moisture from combining with ash, thus clogging the filtering equipment. We engineer each system based on the heating requirements of the specific application. The HT Hopper Heating Module has multiple flow paths for electrical current, which eliminates the burnout potential common with series wire-based designs. Protection of the heating element from vibration is accomplished with a cushion layer of insulation that also directs the flow of heat from the module to the surface being heated. The module provides mechanical protection during handling, installation and operation, and its low profile design helps facilitate installation.

VisiTrace™ Workflow Software

VisiTrace ™, our proprietary 3D engineering software system, allows us to design and engineer heat tracing systems in a virtual environment. It fully integrates with our customers' 3D modeling software systems. This software is designed to create efficiencies for us and our customers by collecting and centralizing a facility's engineering and design plans, saving time during the design and construction phase through the software's instantaneous change updates. VisiTrace™ optimizes the design of the heat tracing system, reduces our customers' up-front costs and on-going operating costs, which in turn creates goodwill for future projects.

Turnkey Services

We provide customers with complete turnkey solutions for their heat tracing needs. Turnkey services include front-end optimization, product supply, engineering deliverables, system integration, installation, commissioning and maintenance. Specialized, turnkey heat tracing services meet the needs of many of our industrial customers who have downsized and outsourced their non-core competencies and are requiring their vendor base to have multi-service and multi-site capabilities.

Our turnkey business in the United States is based in Houston, Texas and Baton Rouge, Louisiana. We employ approximately 25 full-time supervisory personnel, as well as a number of part-time installation specialists who focus on turnkey installations. We have over 1,000 turnkey clients; the largest project is approximately $8 million. Engineering and construction companies in the United States often subcontract their heat tracing projects to outside parties, including us, because of the field's highly specialized nature.

Value-Added Services

We offer heat tracing design and engineering services during every stage of a project. Offering these value-added services, especially during the early stages of a project, is a core element of our business strategy. Based on past experience, the performance of design and engineering services during the early stages of a project leads to subsequent sales of heat tracing products for that project.

We are focused on providing a comprehensive solution to fulfill the heat tracing needs of our customers. As a manufacturer of a wide range of heat tracing products, we believe that we are well positioned to evaluate and optimize a system for a customer without bias towards a particular product, and rely on more than 56 years of experience to craft the most appropriate heat tracing solution for a customer's situation and demands.

We provide value-added design and engineering services to our customers through our full-time staff of engineers and technicians. Through the design and engineering process, our engineers and technicians located throughout the world provide our customers with design optimization studies, product selection assistance, computer-generated drawing packages and detailed wiring diagrams.

Manufacturing and Operations

We have four manufacturing facilities on three continents. We manufacture the products that generate a majority of our total sales at our principal facility in San Marcos, Texas. We produce our flexible heating cables, heat tracing compound and tubing bundles in San Marcos. Our facilities are highly automated, which reduces labor costs. Our facilities incorporate numerous manufacturing processes that utilize computer-controlled equipment and laser technology. We maintain a ready supply of spare parts and have on-site personnel trained to repair and perform preventative maintenance on our specialized equipment, reducing the likelihood of long term interruptions at our manufacturing facilities. Our manufacturing facilities are equipped to provide us with maximum flexibility to manufacture our products efficiently and with short lead times. This in turn allows for lower inventory levels and faster responses to customer demands. Site planning for expansion of heater cable production facilities at the San Marcos facility is now underway, and we anticipate the construction of a new approximately 50,000 square foot manufacturing building in San Marcos, Texas in fiscal 2012, which we expect will serve our production capacity needs at that location for at least five years based on our current business plan.

Our Electronic Cross Linking Facility, which we refer to as ECLF, is also located at the San Marcos facility. Cross-linking enhances the thermal, chemical and electrical stability of our low-temperature self-regulating heater cables. By performing cross-linking in-house, we condense the overall manufacturing cycle by approximately six weeks. This enhances our ability to ensure a high level of product quality and to better control the production process. We also process third party materials, including diamonds, in our ECLF under toll processing agreements in order to increase utilization and generate incremental revenues.

Our pre-insulated tubing products are manufactured in our facilities in San Marcos and the Netherlands. The majority of our pre-insulated tubing product is custom ordered and made to customers' specifications in a two-part process. The thermal insulation is first applied over the heating cable and process tubing, and a protective plastic outer jacket is extruded onto the bundle to protect the insulation.

Our MI cable manufacturing facility in Calgary, Canada gives us adequate capacity to service the demands of clients in the oil sands projects of Western Canada in a time efficient manner. The facility's strategic location has enabled us to expand the use of the MI cable, which is well-suited for high temperature applications and harsh, arctic environments, into a global business.

We maintain quality control testing standards in all of our manufacturing operations and perform various quality control checks on our products during the manufacturing process. We believe that our highly automated manufacturing process and multiple quality control checkpoints create high levels of operational efficiency.

Purchasing Strategy—We have multiple suppliers for all of our critical raw materials, including polymer, graphite, copper and stainless steel. For each of these raw materials, a minimum of two suppliers are selected and approved. We evaluate pricing and performance of these suppliers annually. For our low-volume custom-built electronic controller components, we select a single supplier based on past performance reliability and monitor the process closely as volumes are too low to divide this product over multiple suppliers. Our purchase specifications are usually based on industry or manufacturer standards. Testing of the raw materials is performed and documented by our suppliers and is reviewed by us at the time of receipt.

Distribution—We maintain three central distribution centers located in San Marcos, Texas, Calgary, Alberta and the Netherlands. Inventory is typically shipped directly from these distribution centers to customers, the construction site or our regional sales agents or distributors. Our sales agents may maintain "safety stocks" of core products to service the immediate MRO/UE requirements of customers who are time-sensitive and cannot wait for delivery from one of the central distribution centers. In the United States, a network of agents maintains safety stocks of core products. In Canada, customers are serviced from the central distribution center in Calgary. In Europe, customers are serviced from the central distribution center in the Netherlands. In Asia, a safety stock of materials are kept in Yokohama, Japan; Seoul, Korea; Shanghai, China; Pune, India and Melbourne, Australia. Safety stocks are also warehoused in Moscow, Russia.

Customers

We serve a broad base of large multinational customers, many of which we have served for more than 50 years. We have a diversified revenue mix with thousands of customers. None of our customers represented more than 6% of total revenues in fiscal 2010.

Sales and Marketing

Our direct sales force, consisting of 77 employees in 16 countries, is focused on positioning us with major end-users and engineering, procurement and construction companies during the development phase of Greenfield projects with the goal of providing reliable, cost-effective heat tracing solutions. We utilize a network of more than 100 independent sales agents and distributors in over 30 countries. In markets such as Eastern Europe, South America and Africa, we operate through independent agents that are supported by our direct sales offices in the United States and Europe. We also use independent agents to provide local support to customer facilities for MRO/UE requirements.

We actively participate in the growth and development of the domestic and international heat tracing standards established in the countries in which we sell products. We believe that we have established credibility as a reliable provider of high quality heat tracing products. In addition, we believe that our 15 registered trademarks in the United States and numerous additional brand names are recognized globally, giving us excellent brand recognition.

Standards and Certifications—We continually test our products to demonstrate that they can withstand harsh operating environments. Our heating cable products and associated design practices are subjected to various tests, including heat output, thermal stability and long-term aging, with the goal of producing products capable of performing at or beyond the expectations of our customers. All products are further tested and certified by various approval agencies to verify compliance with applicable industry standards.

Our products comply with national and international heat tracing industry standards such as ANSI/IEEE-515 in the United States, Canadian Standards Association 130.03 in Canada; International Electrical Commission 60079-30-1 in Europe, IECEx in Australia and ANSI/IEC in the Middle East. We also hold product certifications from approval agencies around the world.

Competition

The global industrial electric heat tracing industry is fragmented and consists of approximately 40 companies, that typically only serve discrete local markets and provide a limited service offering. We believe that we are the second largest participant in the industrial electric heat tracing market and one of only a few solutions providers with a comprehensive suite of products and services, global capabilities and local on-site presence. Our most significant competitor is Tyco Thermal Controls, a subdivision of Tyco International Ltd.

Heat tracing providers differentiate themselves through value-added services, long-term customer relationship management and the ability to provide a full range of solutions. We differentiate ourselves from local providers by a global footprint, a full suite of products and services and a track record with some of the largest multinational energy, chemical processing, power and EPC companies in the world. In addition, we are dedicated solely to providing thermal solutions, whereas some of our competitors' thermal solutions operations constitute only one of numerous operating segments.

Intellectual Property and Technology

The heat tracing industry is highly competitive and subject to the introduction of innovative techniques and services using new technologies. We have at least 40 registered patents in the United States, some of which have foreign equivalents. Of the United States registered patents, six remain active, along with several foreign equivalents. While we have patented some of our products and processes, we historically have not relied upon patents to protect our design or manufacturing processes or products, and our patents are not material to our operations or business. Instead, we rely significantly on maintaining confidential our trade secrets, manufacturing know-how and other proprietary rights and other information related to our operations. Accordingly, we require all employees to sign a nondisclosure agreement to protect our trade secrets, business strategy and other proprietary information. We have 15 registered trademarks in the United States and an additional 20 recognized brand names. We also rely on a significant number of unregistered trademarks, primarily abroad, but also in the United States, in the day-to-day operation of our business.

Research and Development

Our research and development group is focused on identifying new technologies to enhance our industrial heat tracing solutions through identifying opportunities to maximize product reliability and reduce the customer's total cost of ownership, which consists of capital expenses, maintenance costs and energy costs. Current initiatives include conductive polymer technology research and the development of integrated control systems and advanced communication software for our electric heat tracing systems.

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Facilities

With our global manufacturing facilities, we are capable of supplying heat tracing products to meet the needs of customers around the world. We have manufacturing facilities in the United States, Canada, Europe and India. Most of our operations are registered to International Organization for Standardization (ISO) 9001 quality standards.

Location	Country	Approximate Size	Function	Owned/ Leased
Corporate Headquarters San Marcos, TX*	United States	150,000 sq. ft. on 30 acres	Manufacturing, fabrication, sales, engineering, marketing, research & development, warehouse and Corporate Headquarters	Owned
Hunter Road Facility San Marcos, TX	United States	26,800 sq. ft.	Fabrication, engineering and warehouse	Leased
McCarty Lane Property San Marcos, TX	United States	6.6 acres	Storage	Owned
Houston, TX	United States	44,000 sq. ft. on 4.2 acres	Fabrication, sales, engineering and warehouse	Owned
Baton Rouge, LA	United States	10,000 sq. ft.	Sales, engineering and warehouse	Owned
Newark, DE	United States	850 sq. ft.	Sales	Leased
Office—Calgary, AB	Canada	34,000 sq. ft.	Fabrication, sales, engineering and warehouse	Leased
MI Plant—Calgary, AB	Canada	46,000 sq. ft.	Manufacturing, fabrication and warehouse	Leased
Edmonton, AB	Canada	4,250 sq. ft.	Sales and warehouse	Leased
Sarnia, ON	Canada	4,500 sq. ft.	Sales and warehouse	Leased
Mexico City	Mexico	2,000 sq. ft.	Sales and engineering	Leased
Pijnacker	Netherlands	35,000 sq. ft. on 1.5 acres	Manufacturing, fabrication, sales, engineering, warehouse, marketing and European Headquarters	Owned
Moscow	Russia	3,050 sq. ft.	Sales and engineering	Leased
Paris	France	2,000 sq. ft.	Sales and engineering	Leased
Gateshead, Tyne & Wear	United Kingdom	5,000 sq. ft.	Sales and engineering	Leased
Bergisch Gladbach	Germany	2,750 sq. ft.	Sales and engineering	Leased
Manama	Bahrain	700 sq. ft.	Sales and engineering	Leased
Shanghai	China	2,500 sq. ft.	Sales and engineering	Leased
Beijing	China	1,500 sq. ft.	Sales and engineering	Leased
Mumbai	India	3,750 sq. ft.	Sales and engineering	Leased
Koregon Bhima	India	15,000 sq. ft. on 2.3 acres	Manufacturing, fabrication and warehouse	Owned
Caringbah, New South Wales	Australia	200 sq. ft.	Sales	Leased
Bayswater, Victoria	Australia	1,350 sq. ft.	Fabrication, sales, engineering and warehouse	Owned
Kuala Lumpur	Malaysia	475 sq. ft.	Sales and engineering	Leased
Yokohama	Japan	1,500 sq. ft.	Sales and engineering	Leased
Seoul	South Korea	3,000 sq. ft.	Sales and engineering	Leased

* We anticipate expanding our Corporate Headquarters San Marcos, Texas facility during fiscal 2012 with the addition of an approximately 50,000 sq. ft. manufacturing building.

Employees

As of December 31, 2010, we employed approximately 640 persons on a full-time basis worldwide. None of our employees is covered by a collective-bargaining agreement and we have never experienced any organized work stoppage or strike. We consider our employee relations to be good.

	Western Hemisphere	Eastern Hemisphere	Total
Sales	41	36	77
Engineering/Technical Sales Support	88	54	142
Production	214	29	243
Administration	47	26	73
Construction	29	—	29
Marketing	12	—	12
Finance & Legal	27	20	47
Research & Development	17	—	17
Total	475	165	640

Governmental Regulation

Due to the international scope of our operations, we are subject to complex United States and foreign laws governing, among others, anti-corruption matters, export controls, economic sanctions, antiboycott rules, currency exchange controls and transfer pricing rules. These laws are administered, among others, by the DOJ, SEC, IRS, CBP, BIS, OAC and OFAC, as well as the counterparts of these agencies in foreign countries. Our policies mandate compliance with these laws. Despite our training and compliance programs, no assurances can be made that we will be found to be operating in full compliance with, or be able to detect every violation of, any such laws. For example, we paid penalties of $176,000 and $14,613 in 2009 to BIS and OFAC, respectively, to settle allegations that certain of our subsidiaries had committed apparent export control and economic sanctions violations that we voluntarily disclosed to the agencies. In August 2010, we paid a penalty of $32,500 to OAC to settle allegations that certain of our subsidiaries had committed apparent violations of antiboycott laws. We cannot predict the nature, scope or effect of future regulatory requirements to which our international operations might be subject or the manner in which existing laws might be administered or interpreted.

Environmental Compliance

Our operations and properties are subject to a variety of federal, state, local and foreign environmental laws and regulations, including those governing the discharge of pollutants into the air or water, the management and disposal of hazardous substances or wastes, the cleanup of contaminated sites, the emission of greenhouse gases, and workplace health and safety. Certain environmental laws, including CERCLA, impose joint and several liability for cleanup costs, without regard to fault, on persons who have disposed of or released hazardous substances into the environment. In addition, we could become liable to third parties for damages resulting from the disposal or release of hazardous substances into the environment. Some of our sites are affected by soil and groundwater contamination relating to historical site operations, which could require us to incur expenses to investigate and remediate the contamination in compliance with environmental laws. Some of our operations require environmental permits and controls to prevent and reduce air and water pollution, and these permits are subject to modification, renewal and revocation by issuing authorities. A failure to obtain, maintain, and comply with these permit requirements could result in substantial penalties, including facility shutdowns. From time to time, we could be subject to requests for information, notices of violation, and/or investigations initiated by environmental regulatory agencies relating to our operations and properties, Violations of environmental and health and safety laws can result in substantial penalties,

civil and criminal sanctions, permit revocations, and facility shutdowns. Environmental and health and safety laws may change rapidly and have tended to become more stringent over time. As a result, we could incur costs for past, present, or future failure to comply with all environmental and health and safety laws and regulations. In addition, we could become subject to potential regulations concerning the emission of greenhouse gasses, and while the effect of such future regulations cannot be determined at this time, they could require us to incur substantial costs in order to achieve and maintain compliance. In the ordinary course of business, we may be held responsible for any environmental damages we may cause to our customers' premises.

Legal Proceedings

The Company has no outstanding legal matters outside of matters arising in the ordinary course of business, except as described below.

Asbestos Litigation—Since 1999, we have been named as one of many defendants in 16 personal injury suits alleging exposure to asbestos from our products. None of the cases alleges premises liability. Five cases are currently pending. Insurers are defending us in two of the five lawsuits, and we expect that an insurer will defend us in the remaining three matters. Of the concluded suits, there were five cost of defense settlements and the remainder were dismissed without payment. All amounts paid in connection with such settlements were immaterial. There are no claims unrelated to asbestos exposure for which coverage has been sought under the policies that are providing coverage. We can give no assurances that we will prevail in any of these matters.

MANAGEMENT

The following table sets forth certain information about our executive officers and directors as of the date of this prospectus.

Name	Age	Position
Rodney Bingham	60	President and Chief Executive Officer; Director
George P. Alexander(1)	60	Executive Vice President, Global Sales; Director
Jay Peterson	54	Chief Financial Officer; Senior Vice President, Finance; Secretary
René van der Salm	47	Senior Vice President, Global Manufacturing
Daniel J. Hennessy(1)	53	Chairman of the Board; Director
James A. Cooper	55	Director
Marcus J. George	41	Director
Richard E. Goodrich	67	Director
Brian P. Simmons(1)	50	Director
Charles A. Sorrentino(2)	66	Director
Michael W. Press(3)	64	Director Nominee

(1) Messrs. Alexander, Hennessy and Simmons have indicated to us their intention to resign from our board of directors upon the consummation of this offering. Mr. Hennessy will be a non-voting observer of our board of directors upon such resignation.

(2) Our board of directors intends to appoint Mr. Sorrentino as Chairman of the Board upon Mr. Hennessy's resignation from our board of directors upon the consummation of this offering.

(3) Mr. Press will join our board of directors immediately upon the consummation of this offering.

Executive Officers

Rodney Bingham, *President and Chief Executive Officer and Director* has served as a director since April 2009 and has worked for the Company for 39 years in various management positions in the following areas: Research and Development, Engineering, Product Management, Sales, Marketing and Administration. Mr. Bingham has been instrumental in the development and introduction of several key heat tracing products which advanced the state of the industry, including the first parallel resistance, cut-to-length heating cables and the first pipe-mounted power termination assemblies in the industry. Prior to accepting his current position in January 2009, Mr. Bingham held senior management positions for Thermon including the Senior Vice President of Western Hemisphere Operations, Vice President of Thermon's International Operations, Vice President of Construction Operations and President of Thermon Heat Tracing Services. During his tenure, Mr. Bingham was responsible for the conception and development of Thermon's cornerstone marketing philosophy for the 1990s. This effort has resulted in millions of dollars of savings to Thermon customers through an altered buying process emphasizing "Early Involvement" in the customer's project engineering phase, incorporating "Value Added Services" into the turnkey systems pioneered by Thermon in the late 1970s. This philosophy is being utilized on a global basis today. Mr. Bingham has been involved in the IEEE since 1974, and has been a member of the Petroleum and Chemical Industry Committee within the IEEE for over 15 years. He also served on the Power Engineering Society Working Group for the Development of Heat Tracing Standards (IEEE 622).

George P. Alexander, Executive Vice President, Global Sales and Director joined us in August 1971 working in the Production Department. He then spent time in Research and Development, Engineering and as General Sales Manager prior to assuming the role of Vice President Sales and Marketing in May 1983. Mr. Alexander has served as a director since the closing of the Acquisition on April 30, 2010. He is a graduate of Texas State University with a B.S. degree in Mathematics. During Mr. Alexander's tenure as General Sales Manager, he established the Company as the primary supplier

for heat tracing systems to the nuclear power generation industry. He was an author of IEEE 622 "IEEE Recommended Practice for the Design and Installation of Electric Pipe Heating Systems for Nuclear Power Generating Stations" published in November 1979. From 1983 to 1995 during Mr. Alexander's tenure as Vice President of Sales and Marketing, corporate sales revenue grew at a compound rate of 8.1%. Mr. Alexander has directed the formulation and execution of the Company's marketing plans and strategies in Asia Pacific for over ten years by studying economic indicators, identifying customer's current and future needs and monitoring the competition. Mr. Alexander initiated the formation of Thermon's Customer Advisory Council. This Council consists of twelve representatives of major corporations from the refining and chemical industries. They, along with the Company's Distributor Council, provide management with essential feedback regarding current and future industry practices and needs. In 1996, Mr. Alexander accepted the dual role of Vice President, Strategic Alliances and Vice President, Far East operations. From 1996 to 1998 he established several global partnerships with key customers that positively affected Thermon's revenue growth worldwide. In 1999, Mr. Alexander accepted the position of Senior Vice President, Asia Pacific Operations, one of four Strategic Business Units. From 2005 to 2011, as Senior Vice President, Eastern Hemisphere, Mr. Alexander assumed responsibility for operations in Europe as well. In 2011, Mr. Alexander was promoted to Executive Vice President, Global Sales and assumed responsibility of global sales, project management, application engineering, field services and training. Mr. Alexander has indicated to us his intention to resign from our board of directors upon consummation of this offering.

Jay Peterson, Chief Financial Officer, Senior Vice President, Finance, and Secretary joined the Company in July 2010 as Chief Financial Officer and was appointed Senior Vice President, Finance in October 2010. Prior to joining Thermon, Mr. Peterson held positions as Chief Financial Officer, Vice President of Finance, Senior Director of Finance, Secretary and Treasurer at Forgent Networks, Inc, a NASDAQ listed company. Mr. Peterson started with Forgent Networks in 1995 and was named Chief Financial Officer in 2001. Before joining Forgent Networks, Mr. Peterson was Assistant Controller in Dell Computer Corporation's Direct division. He also spent 11 years in various financial management positions with IBM Corporation. Mr. Peterson holds an M.B.A. and a B.A. from the University of Wisconsin.

René van der Salm, Senior Vice President, Global Manufacturing joined us in October 2001. In 1987, Mr. van der Salm graduated from the Amsterdam Technical University with a B.S. in Mechanical Engineering. After fulfilling his military service, he worked as Sales Engineer, Project Manager and Production Manager in supplying the (Petro) Chemical Industry before joining Thermon. Mr. van der Salm started with Thermon as the European Logistics Manager and was responsible for the implementation of a European wide logistics and financial ERP software. In 2006, Mr. van der Salm was promoted to Vice President Manufacturing and Logistics. During that period he divided his time between the U.S. and European operations and was instrumental in the U.S. implementation of the ERP software. In 2007, Mr. van der Salm relocated to the U.S. and was promoted to Senior Vice President, Operations. In 2011, Mr. van der Salm was promoted to Senior Vice President, Global Manufacturing.

Directors

Daniel J. Hennessy, Chairman of the Board was a founder of CHS in 1988 and now serves as a Partner of CHS. CHS is an affiliate of the Company. Prior to founding CHS, Mr. Hennessy was a Vice President with Citicorp Mezzanine Investments and Citicorp Leveraged Capital Group in Chicago. Before joining Citicorp, he was employed by Continental Illinois National Bank. Mr. Hennessy has extensive experience managing private equity investments and portfolio companies focused on infrastructure and industrial products. He holds a B.A. from Boston College and an M.B.A. from the University of Michigan. Mr. Hennessy serves on the Board of Directors of Gundle/SLT Environmental, Inc., where he is a member of the compensation committee, and has served as a director of Waddington North America, Inc. Mr. Hennessy has served as a director since the closing of the

Acquisition on April 30, 2010. Mr. Hennessy has indicated to us his intention to resign from our board of directors upon the consummation of this offering. Mr. Hennessy will be a non-voting observer upon such resignation.

James A. Cooper founded Thompson Street Capital Partners LP, which we refer to as TSCP, in 2000, where as Managing Principal he oversees acquisition activity of the firm and is involved in managing the firm's portfolio companies. Thompson Street Capital Partners II, L.P., an affiliate of TSCP, owns 19.35% of our outstanding common stock. Mr. Cooper has been involved in middle-market acquisitions for more than 15 years. Prior to founding Thompson Street Capital Partners, Mr. Cooper spent seven years with JPMorgan in New York City, seven years with Harbour Group in St. Louis and was affiliated with GSC Capital in New York. Mr. Cooper has extensive experience in overseeing investment decisions and managing portfolio companies. TSCP has invested in a wide array of industries, including manufacturing and energy related end markets. Mr. Cooper holds an M.B.A. from the Darden School at the University of Virginia, and both an M.S. and B.S. from the University of Missouri-Columbia. Currently, he serves on the St. Louis Children's Hospital Foundation Development Board, and is a member of both the Foundation Finance Committee and the University of Missouri MBA Advisory Board. Additionally, Mr. Cooper is a Director of First Banks Inc. where he serves on the Audit and Compensation committees, and has served as a director of Waddington North America, Inc. Mr. Cooper has served as a director since the closing of the Acquisition on April 30, 2010.

Marcus J. George joined CHS in 1997 and was promoted to Partner in 2007. Prior to joining CHS, an affiliate of the Company, he was employed by Heller Financial, Inc. in the Corporate Finance Group. He also worked for KPMG. Mr. George brings to the board of directors substantial experience in private equity investments focused on infrastructure and industrial products. He holds a B.B.A. from the University of Notre Dame and an M.B.A. from the University of Chicago. Mr. George serves on the Board of Directors of Gundle/SLT Environmental, Inc. and KB Alloys, LLC, and has served as a director of Waddington North America, Inc. Mr. George has served as a director since the closing of the Acquisition on April 30, 2010.

Richard E. Goodrich is a retired Executive Vice President and Chief Financial Officer of Chicago Bridge & Iron Company N.V. (NYSE: CBI), which we refer to as CB&I, an engineering, procurement and construction company that provides services to customers in the chemicals and energy industries. Prior to retiring, Mr. Goodrich served as Executive Vice President and Chief Financial Officer of CB&I from 2001 to 2005, and as acting Chief Financial Officer until June 2006. Mr. Goodrich also serves as a director of Gundle/SLT Environmental, Inc. and Chart Industries (NASDAQ: GTLS). Mr. Goodrich is a Certified Public Accountant having been certified in the District of Columbia in November 1970. Mr. Goodrich brings to the board of directors the experience and international operations insight of a chief financial officer of a large multinational company. Mr. Goodrich has served as a director since the closing of the Acquisition on April 30, 2010.

Brian P. Simmons was a founder of CHS in 1988 and now serves as its Managing Partner. CHS is an affiliate of the Company. Prior to founding CHS, Mr. Simmons was a Vice President with Citicorp's Leveraged Capital Group in Chicago. Before joining Citicorp, he was employed by Mellon Bank in Pittsburgh and Chicago. Mr. Simmons has extensive experience managing private equity investments and portfolio companies focused on infrastructure and industrial products. He serves on the Board of Directors of Gundle/SLT Environmental, Inc. and LVI Parent Corp., and has served as a director of Waddington North America, Inc. He holds an A.B. from Cornell University. Mr. Simmons has served as a director since the closing of the Acquisition on April 30, 2010. Mr. Simmons has indicated to us his intention to resign from our board of directors upon the consummation of this offering.

Charles A. Sorrentino has served at Houston Wire & Cable Co. (NASDAQ: HWCC) as President and Chief Executive Officer since 1998. Prior to joining Houston Wire & Cable Co., Mr. Sorrentino served as President of Pameco Corporation (NYSE: PCN), a national heating, ventilation, air conditioning and refrigeration distributor, from 1994 to 1998. Pameco was a $600 million distributor

that was listed on the NYSE following an initial public offering in 1997 and was later merged into a larger company. Prior to working with Pameco, Mr. Sorrentino served with PepsiCo, Inc. (NYSE: PEP) for nine years. During this time, he held a variety of positions, including Subsidiary President, Division Vice President and Region Vice President. After completing college, Mr. Sorrentino served twelve years with United Technologies (Sundstrand Corporation) (NYSE: UTX), a manufacturer of industrial, heating and air conditioning components in a variety of engineering, sales, marketing and executive management functions. Mr. Sorrentino has served as an executive of several large manufacturing companies and brings a diversity of both public and privately held company experience to the board of directors. Mr. Sorrentino earned a M.B.A. from the University of Chicago and a B.S. in Mechanical Engineering from Southern Illinois University. He also served in the United States Marine Corps. Mr. Sorrentino has served as a director since the closing of the Acquisition on April 30, 2010. Our board of directors intends to appoint Mr. Sorrentino as Chairman of the Board upon Mr. Hennessy's resignation from our board of directors following consummation of this offering.

Michael W. Press is a retired Chief Executive Officer of KBC Advanced Technologies PLC (KBC:London), which we refer to as KBC, a publicly traded international petroleum and petrochemicals consulting and software firm. Mr. Press served as Chief Executive Officer of KBC from 1997 to 2001. Since 2001, Mr. Press has been self-employed, serving on various boards of directors and working with a number of private equity backed companies in the United States, Europe and Asia, often in preparation for a public listing or sale. Mr. Press has served on the board of directors for Chart Industries (NASDAQ: GTLS) since 2006 and is currently its lead independent director, a member of its compensation committee and chairman of its nominations and corporate governance committee. Mr. Press previously served as a director of Petrofac, Ltd. (PFC:London) from 2002 to 2010, as a director, audit committee member, compensation committee member and nominating committee member for T-3 Energy Services, Inc. (NASDAQ: TTES) from 2004 to 2009 and as a director for RigNet, Inc. (NASDAQ: RNET) from 2007 to 2008. In light of our business and structure, our board of directors has nominated Mr. Press to serve as a director due to his substantial experience as a director and executive officer of publicly held companies and over 29 years of international energy industry experience, including senior executive positions at The Standard Oil Company, British Petroleum plc, BP America and Amerada Hess Corporation. Mr. Press also has manufacturing, operations, finance, corporate governance and corporate development experience. Mr. Press holds a B.S. from Colorado College, an M.S. from Columbia University and an Advanced Management Program degree from Stanford University. Mr. Press will join our board of directors effective immediately upon the consummation of this offering.

Composition of the board of directors after this offering

Following the consummation of this offering, our board of directors will consist of six directors. Our board of directors has affirmatively determined that Messrs. Goodrich, Sorrentino and Press are independent directors under the rules of the NYSE. We expect to add an additional independent director to our board of directors or remove a non-independent director from our current board of directors after the consummation of this offering such that the majority of the members of our board of directors are independent by the first anniversary of the listing date with the NYSE, pursuant to the transitional rules of the NYSE. Failure to comply with this independence requirement within the applicable transitional periods as permitted by the NYSE could result in the suspension or delisting of our common stock by the NYSE. We do not intend to rely on the "controlled company" exemption from certain NYSE corporate governance requirements.

The composition of our board of directors after the consummation of this offering will be balanced among independent directors, directors affiliated with the sponsors and a management director. That balance, to which each of our directors contributes, is important to us for several reasons, including:

- Each of our three independent directors will contribute an outside point of view that we value for providing multiple perspectives to the board of directors' oversight and direction of the Company and facilitating objectivity in its decision-making process.

- Because of their affiliation with our sponsors, each of Messrs. Cooper and George is particularly attuned to strategic, financial and other matters that may affect our stockholders' investments in the Company.

- Mr. Bingham, who has been with the Company for 39 years, brings to the board of directors an invaluable, in-depth knowledge of the Company and our industry, operations and business plans.

Committees of the board of directors

Our board of directors currently has three standing committees: an audit committee, a compensation committee and a nominating and corporate governance committee.

Our board of directors has adopted a written charter for the audit committee, which is available on our website. The audit committee has responsibility for, among other things, reviewing our financial reporting and other internal control processes, our financial statements, the independent auditors' qualifications and independence, the performance of our internal audit function and independent auditors, and our compliance with legal and regulatory requirements and our code of ethics. Following the consummation of this offering, Messrs. Goodrich (Chair), Press and Sorrentino will be the members of the audit committee. Our board of directors has determined that Messrs. Goodrich, Press and Sorrentino are independent directors under Rule 10A-3(b)(1) under the Exchange Act and the rules of the NYSE, and that Mr. Goodrich qualifies as an "audit committee financial expert" as such term is defined in Item 407(d)(5)(ii) of Regulation S-K based on his education and experience in his respective fields. Our board of directors has determined that each of Messrs. Goodrich, Press and Sorrentino is financially literate and qualified to address any issues that are likely to come before the audit committee, including the evaluation of our financial statements and supervision of our independent auditors.

Our board of directors has adopted a written charter for the compensation committee, which is available on our website. The compensation committee has responsibility for, among other things, reviewing and approving the compensation and benefits of our employees, directors and consultants, administering our employee benefit plans, authorizing and ratifying stock option grants and other incentive arrangements and authorizing employment and related agreements. Following the consummation of this offering, Messrs. Sorrentino (Chair), Goodrich and Press will be the members of the compensation committee. Our board of directors has determined that Messrs. Goodrich, Press and Sorrentino are independent directors under the rules of the NYSE.

Our board of directors has adopted a written charter for the nominating and corporate governance committee in connection with this offering, which is available on our website. The nominating and corporate governance committee has responsibility for, among other things, identifying, evaluating and recommending nominees for appointment or election as directors, developing and recommending a set of corporate governance guidelines, and overseeing the evaluation of our board of directors and management. Following the consummation of this offering, Messrs. Press (Chair), Goodrich and Sorrentino will be the members of the nominating and corporate governance committee. Our board of directors has determined that Messrs. Goodrich, Press and Sorentino are independent directors under the rules of the NYSE.

Compensation of directors

We do not pay our employee directors or directors affiliated with our sponsors fees for services as directors; however, following the consummation of this offering and the termination of the management services agreement, our directors affiliated with our sponsors will receive compensation for services as non-employee directors, as described below. All of our directors are reimbursed for their reasonable expenses, if any, of attendance at meetings of the board of directors or a committee of the board of directors.

Our board of directors was comprised of the following non-employee directors during fiscal 2011: Mark Burdick, Donald G. Bramley, Oliver C. Ewald, Steven R. Loose and John J. Mitchell, each of whom resigned upon the closing of the Acquisition on April 30, 2010, and James A. Cooper, Marcus J. George, Richard E. Goodrich, Daniel J. Hennessy, Brian P. Simmons and Charles A. Sorrentino, each of whom has served as a director since the closing of the Acquisition.

Mr. Bramley, Mr. Loose and Mr. Ewald were managing directors of the Audax Group and Mr. Mitchell was a principal of the Audax Group. Pursuant to the terms of the Audax management services agreement (which is no longer in effect), we paid $62,500 in management fees and $16,642 for reimbursement out-of-pocket expenses to an affiliate of the Audax Group in fiscal 2011. Affiliates of the Audax Group rendered the following services to us in consideration for the aforementioned management fees: financial and strategic planning and analysis, consulting services, advice in connection with our operations, advice in connection with the negotiation of financing from banks or other financial institutions and advice and assistance in connection with the identification, negotiation and consummation of potential recapitalizations, restructurings, financings, refinancing, mergers, acquisitions, consolidations and dispositions.

Mr. Simmons is a managing partner of CHS, Messrs. George and Hennessy are partners of CHS, and Mr. Cooper is a managing principal of TSCP. Pursuant to the management services agreement, during fiscal 2011, we paid management fees and expense reimbursements of $1.2 million to CHS, and $1.0 million and $13,000 to TSCP as a prepayment for management fees payable and expense reimbursements, respectively. CHS and TSCP and their respective affiliates rendered various services to us in consideration for the aforementioned management fees. In connection with this offering, the services to be provided by our sponsors, and the management fees payable in connection therewith, will be terminated and the sponsors will receive a one-time cash termination fee in the aggregate amount of $7.4 million. See "Certain Relationships and Related Party Transactions—Transaction Fee and Management Fee."

During fiscal 2011, we paid Messrs. Sorrentino and Goodrich, our non-employee directors who are not affiliated with our sponsors, (i) $1,500 per meeting for attendance at in-person meetings of the board of directors and $750 per meeting for participation in telephonic meetings of the board of directors, (ii) $1,000 per meeting for attendance at in-person meetings of the committees of the board of directors and $500 per meeting for participation in telephonic meetings of the of committees of the board of directors, (iii) an annual retainer of $25,000, payable quarterly, for serving as a member of the board of directors and (iv) an annual retainer of $5,000, payable quarterly, for serving as a member or chairman of any committee of the board of directors. In addition, Messrs. Sorrentino and Goodrich are eligible to participate in our stock option plan, and on October 27, 2010, the board of directors granted to each of Messrs. Sorrentino and Goodrich options to purchase 16,358 shares of our common stock. Messrs. Sorrentino and Goodrich also were granted an opportunity to invest directly in our common stock. On October 18, 2010, Mr. Sorrentino purchased 28,869 shares of our common stock for $150,000 in cash and on December 20, 2010, Mr. Goodrich purchased 19,246 shares of our common stock for $100,000 in cash.

Based on the advice of Longnecker & Associates, the compensation committee's independent compensation consultant, effective at, and contingent upon, the consummation of this offering, the non-

employee director compensation will change as follows: (i) the annual retainer fee will increase from $25,000 to $35,000; (ii) the annual retainer fee for service as the audit committee chair will increase from $5,000 to $10,000; (iii) the annual retainer fee for service as the compensation committee chair will increase from $5,000 to $7,500; (iv) the annual retainer fee for service as the nominating and corporate governance committee chair will increase from $5,000 to $7,500; (v) the non-executive chairman of our board of directors will receive an additional retainer fee of $52,500 per year; and (vi) non-employee directors will receive an annual equity grant with a grant date fair value equal to $45,000. For fiscal 2012, it is expected that the annual equity grant will be in the form of restricted stock, subject to a two-year vesting requirement.

The following table provides information regarding the compensation of our non-employee and non-affiliated directors for fiscal 2011.

2011 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Option Awards ($)(1)	Total ($)
Charles A. Sorrentino	36,333	40,407	76,740
Richard E. Goodrich	38,332	40,407	78,739

(1) The amounts in this column represent the value of options granted by our board of directors on October 27, 2010. The amounts reported in this column are valued based on the aggregate grant date fair value computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation—Stock Compensation, which we refer to as FASB ASC Topic 718. We used a Black-Scholes option pricing model to estimate the aggregate grant date fair value of the options granted. Due to the fact that the common stock underlying the options is not publicly traded, the expected volatility is based on a comparable group of companies. The expected term is based on the simplified method due to the lack of historical exercise data. The risk-free rate for periods within the contractual life of the option is based on the Treasury bill coupon rate for U.S. Treasury securities with a maturity that approximates the expected term and we used a dividend yield of zero. Please see note 14 to the unaudited consolidated financial statements for the nine months ended December 31, 2010, included elsewhere in this prospectus, for a discussion of the relevant assumptions used in calculating these amounts. As of March 31, 2011, each of Messrs. Sorrentino and Goodrich had 16,358 outstanding stock option awards.

Indemnification of directors and officers

Section 145 of the General Corporation Law of the State of Delaware, which we refer to as the DGCL, provides that a corporation may indemnify its directors and officers against liabilities actually and reasonably incurred in such capacities, including attorneys' fees, judgments, fines and amounts paid in settlement, with respect to any matter in which the director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe the person's conduct was unlawful. Our second amended and restated certificate of incorporation provides that we shall indemnify our directors and officers to the fullest extent authorized by the DGCL. Our second amended and restated certificate of incorporation provides that this right to indemnification is a contract right, and we may, from time to time, and in the ordinary course of business, enter into contracts under which our directors and officers are provided with such rights of indemnification against liability that they may incur in their capacities as such and in connection with activities performed under the terms of such contracts. We will enter into an indemnification agreement with

each of our directors and certain officers which will require us, among other things, to indemnify them against certain liabilities which may arise by reason of his status or service as a director or officer (other than liabilities arising from willful misconduct of a culpable nature).

Our amended and restated bylaws further provide that we shall indemnify and hold harmless, to the fullest extent permitted by law, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was one of our directors or officers or is or was serving at our request as a director, officer, employee or agent of another corporation, partnership, joint venture or other enterprise, against any and all liability and loss (including judgments, fines, penalties and amounts paid in settlement) suffered or incurred and expenses reasonably incurred by such person; provided, however, that we shall not be required to indemnify a person in connection with any action, suit or proceeding that is initiated by such person unless such action, suit or proceeding was authorized by our board of directors.

Our second amended and restated certificate of incorporation also eliminates the personal liability of our directors to the fullest extent permitted by Section 102 of the DGCL, which provides that a corporation may eliminate the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. Section 102 does not, however, permit a corporation to eliminate or limit liability for (i) any breach of the duty of loyalty to the corporation or its stockholders, (ii) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) liability of directors for unlawful payment of dividend or unlawful stock purchase or redemption or (iv) any transaction from which the director derived an improper personal benefit.

We have purchased liability insurance covering our directors and officers and certain other management personnel.

COMPENSATION DISCUSSION AND ANALYSIS

Introduction

This Compensation Discussion and Analysis provides a discussion of the background and objectives of our compensation programs for senior management, including the following officers, whom we refer to as our named executive officers:

Name	Title
Rodney Bingham	President and Chief Executive Officer
George P. Alexander	Executive Vice President, Global Sales
Jay Peterson(1)	Chief Financial Officer; Senior Vice President, Finance; Secretary
René van der Salm	Senior Vice President, Global Manufacturing
Richard Hageman(2)	Former Senior Vice President, Marketing and Technology
David Ralph(3)	Former Senior Vice President, Finance

(1) Mr. Peterson joined the Company in July 2010 as Chief Financial Officer and was appointed Senior Vice President, Finance in October 2010.

(2) Mr. Hageman retired on August 31, 2010.

(3) Mr. Ralph retired on September 30, 2010.

Prior to the Acquisition, the Audax Group had the overall responsibility for monitoring and approving the compensation programs for our named executive officers and making decisions regarding compensation to be paid or awarded to them. The Audax Group historically did not seek input from outside compensation consultants with respect to compensation decisions and did not retain a compensation consultant with respect to fiscal 2011 compensation decisions. In making compensation decisions, the Audax Group relied on the input and recommendations of the Company's named executive officers.

Following the Acquisition, our compensation committee has the responsibility for determining the compensation of our named executive officers. As was the case prior to the Acquisition, in making compensation decisions, our compensation committee has relied on the input and recommendations of the named executive officers. The named executive officers' recommendations are generally based on the assessment of each individual's performance compared against the strategic operational plan objectives established for the fiscal year as well as historical compensation practices at the Company. With respect to fiscal 2011 compensation decisions, the compensation committee did not retain a compensation consultant; however, in connection with this offering, the compensation committee retained the services of Longnecker & Associates to assist the compensation committee in reviewing and evaluating the Company's executive compensation program.

Objectives of Our Compensation Program

Our executive compensation program is designed to attract, retain, and reward talented executives who can contribute to our long-term success and is based on the following general principles:

- compensation must be competitive with that offered by other companies that compete with us for executive talent;
- differences in compensation should reflect differing levels of responsibilities;

- performance-based compensation should focus on critical business objectives and align pay through performance-leveraged incentive opportunities; and
- our non-executive employees should receive bonus payouts before any bonus payouts are made to members of senior management.

Elements of Our Compensation Program

Base Salaries

Base salaries are intended to provide a level of compensation sufficient to attract and retain an effective management team, when considered in combination with the other components of our executive compensation program. The relative levels of base salary for our named executive officers are designed to reflect each executive officer's scope of responsibility and accountability with us. The fiscal 2011 base salaries for Messrs. Bingham and Alexander are set forth in their respective employment agreements, each of which was negotiated in connection with the Acquisition. The fiscal 2011 base salary for Mr. Peterson is also set forth in his employment agreement, the terms of which were negotiated at the time Mr. Peterson joined the Company. Mr. van der Salm received a base salary increase of 2.5% from the base salary level established for fiscal 2010 and there were no changes to the base salary levels of Messrs. Ralph and Hageman in light of their respective retirements from the Company.

Bonuses

Annual Bonuses

Historically, we have provided our named executive officers with short-term incentive compensation through our annual bonus plan. Annual bonus compensation holds executives accountable, rewards the executives based on actual business results and helps create a "pay for performance" culture.

Early in fiscal 2011, we established a bonus pool for our incentive compensation plan equal to 9% of fiscal 2011 Adjusted EBITDA, with the bonus pool to be funded if Adjusted EBITDA exceeded fiscal 2011 targeted Adjusted EBITDA of $48 million. For purposes of the annual bonus program, Adjusted EBITDA is equal to operating income plus incentive compensation, depreciation and amortization expenses and management fees and related expenses. As we are in the process of preparing our audited consolidated financial statements for fiscal 2011, we have not yet finalized our results of operations for the full fiscal 2011 period and therefore do not know actual fiscal 2011 Adjusted EBITDA at this time. Based on currently available information, we estimate that fiscal 2011 Adjusted EBITDA will exceed the $48 million targeted amount.

The fiscal 2011 bonus pool will be allocated among all employees based on the compensation committee's subjective assessment of our and individual performance in fiscal 2011. Other than as described below with respect to Mr. Peterson, none of the named executive officers has been granted a target bonus opportunity for fiscal 2011. Instead, each named executive officer is eligible to receive a discretionary allocation of the bonus pool, with the actual allocation to each named executive officer determined by the compensation committee at the time bonuses are paid to all employees.

Under the terms of Mr. Peterson's employment agreement, he is eligible to receive a target bonus equal to 40% of his base salary, prorated based on the portion of the year in which Mr. Peterson was employed by us. As of the date of this prospectus, the compensation committee has not determined the actual fiscal 2011 bonus to be paid to Mr. Peterson although, based on our performance, it is anticipated that Mr. Peterson will receive a fiscal 2011 bonus at least equal to his prorated target award.

The allocation of the fiscal 2011 bonus pool among employees, including our named executive officers, has not been determined as of the date of this prospectus. We expect to determine and pay bonuses to all of our employees in the first quarter of fiscal 2012.

Transaction Bonuses

In connection with the Acquisition, certain of our key employees, including Messrs. Hageman, Ralph and van der Salm, received transaction-based bonuses pursuant to transaction bonus agreements. These transaction-based bonuses were recommended to the Audax Group by Messrs. Bingham, Alexander and Ralph and were contingent upon the successful closing of the Acquisition and the recipient investing the after-tax proceeds into our equity. Consistent with our compensation philosophy, the transaction-based bonuses that were ultimately paid to the named executive officers were less than those originally approved by the Audax Group and the amounts that would have been paid to the named executive officers were distributed to other non-executive employees. Messrs. Hageman, Ralph and van der Salm each received a transaction-based bonus in the amount of $60,000, $150,000 and $140,000, respectively. The after-tax proceeds of these transaction-based bonuses were rolled over into our equity. Messrs. Bingham and Alexander did not receive a transaction-based bonus.

Long-Term Incentives

Profits-Interest Program

Following the Audax Transaction in late 2007, the Company established a "profits-interest program" under which the Company granted Class P Units to certain employees, including each of the named executive officers with the Company at the time of the transaction. Profits-interest programs such as that represented by the P Units are common practice in portfolio companies of private equity firms and allow participants to share in the increase in value of the Company above the aggregate purchase price paid in the transaction. The program was intended to provide an incentive to management to keep focused on the long-term value of the Company.

In connection with the Acquisition, the P Unit program was cancelled and the outstanding P Units became vested and were exchanged for the right to receive cash consideration per P Unit. The following table sets forth the value of the P Units held by each named executive officer that vested in connection with the Acquisition and the approximate percentage of the value of the P Units that was reinvested into the surviving company by each named executive officer:

Named Executive Officers(1)	Value of Accelerated Vesting of P Units	% of P Unit Value Reinvested(2)
Rodney Bingham	$ 1,897,265	24.3%
George P. Alexander	$ 1,897,265	17.8%
Richard Hageman	$ 1,045,355	3.4%
David Ralph	$ 1,045,355	9.0%
René van der Salm	$ 851,929	33.8%

(1) Mr. Peterson commenced employment with the Company after the Acquisition and, accordingly, did not participate in the P Unit program.

(2) The approximate percentage is based on the estimated total proceeds to be received by each named executive officer after deducting all amounts subject to escrow in connection with the Acquisition.

Restricted Stock and Stock Option Plan

On July 28, 2010, our board of directors adopted the Thermon Group Holdings, Inc. Restricted Stock and Stock Option Plan, which was amended by our board of directors on October 27, 2010 and which we refer to as the 2010 Equity Plan. The purpose of the 2010 Equity Plan is to encourage selected members of management to acquire or, in some cases, further develop a proprietary interest in our growth and performance and enhance our ability to attract, retain and reward qualified individuals for management positions. Under the 2010 Equity Plan, 2,767,147 shares of our common stock are available for awards, subject to adjustment for changes in capitalization or certain corporate transactions. Awards may be issued in the form of non-qualified stock options and restricted stock. As of the date of this prospectus, no shares remain available for issuance under the 2010 Equity Plan.

The 2010 Equity Plan is administered by the compensation committee of our board of directors. Under the 2010 Equity Plan, the compensation committee has the authority to designate participants in the plan, determine the form of awards, the number of shares subject to individual awards, and the terms and conditions, including the vesting schedule, of each award granted under the 2010 Equity Plan. The term of any option shall be fixed by the compensation committee and shall not exceed ten years from the date of grant.

In the event of any merger, consolidation, reorganization or liquidation of Thermon or other similar transaction or in the event of a sale of Thermon, the board of directors, in its discretion, may (i) require outstanding options to be surrendered by the participant and to be immediately cancelled, and to provide for the participant to receive a cash payment in an amount equal to the number of our shares then subject to the option, whether vested or unvested, multiplied by the excess, if any, of the fair market value of a share of our common stock as of the date of the transaction, over the exercise price; (ii) require that the option be assumed, or an equivalent option substituted, by the acquiring entity or its parent; (iii) require that the exercisable portion of an option be exercised by the participant within a specified period preceding the transaction; (iv) provide for the repurchase of any shares of restricted stock that will remain unvested at the time of the transaction; or (v) provide that all or a portion of any option or restricted stock award become exercisable or vested immediately prior to the transaction. In addition, pursuant to the outstanding stock option agreements, all outstanding option awards shall vest and become exercisable immediately prior to the consummation of this offering.

On October 20, 2010, Rodney Bingham, George Alexander, René van der Salm and Jay Peterson were granted options to purchase 326,602, 326,602, 272,521 and 163,397 shares of our common stock, respectively. On March 1, 2011, Jay Peterson was granted options to purchase an additional 27,136 shares of our common stock. The October 2010 grants were recommended by the executive management team and subsequently approved by our board of directors. The March 2011 grant to Mr. Peterson was also recommended by the executive management team and subsequently approved by the compensation committee.

All such options shall become eligible for vesting in five equal tranches, with the portion of each tranche that vests determined by the board of directors based on the attainment of annual performance objectives established by the board of directors. The performance condition for the fiscal 2011 vesting tranche was based on an adjusted EBITDA target of $48 million, which was approved by the board of directors in August 2010; however, the actual vesting of the awards remains subject to the discretion of our board of directors. For purposes of the fiscal 2011 grants, adjusted EBITDA was equal to operating income plus incentive compensation, depreciation and amortization expenses and management fees and related expenses. Any portion of the shares eligible for vesting that do not vest based on the attainment of such performance objectives shall be added to the number of shares eligible to vest on the next scheduled vesting date, subject to the participant's continuous employment. All shares subject to such options shall vest on the seventh anniversary of the grant date if the participant remains continuously

employed by us and our outstanding equity securities attain a specified fair value as of such vesting date equal to or greater then two times the value of the aggregate equity investments in the Company. Pursuant to the option award agreements, we have the right to repurchase any shares acquired upon the exercise of the option for fair market value following termination of the optionee's employment for death or disability or termination without cause. For all other termination events, we have the right to repurchase the shares acquired on exercise of the option for the lower of fair market value or the exercise price. Fair market value is determined by our board of directors in good faith.

No further grants or awards will be made under 2010 Equity Plan following the consummation of this offering.

Employee Benefits and Other Benefits

Each of our named executive officers is entitled to participate in our employee benefit plans (including 401(k) retirement savings, and medical, dental, and life insurance benefits) on the same basis as our other employees. In addition, we maintain a corporate apartment and lease a Company vehicle for Mr. Bingham's use in commuting between our facilities in Houston and San Marcos, Texas.

Employment-Related Agreements

Concurrent with the closing of the Acquisition, we entered into employment agreements with Rodney Bingham and George Alexander. In addition, in July 2010, the Company entered into an employment agreement with Jay Peterson. For fiscal 2011, none of the other named executive officers were subject to an employment agreement. The material terms of Messrs. Bingham, Alexander, and Peterson's fiscal 2011 employment agreements are described below. For fiscal 2012, the Company entered into an employment agreement with Mr. van der Salm, the material terms of which are described below. Please see the "Potential Payments Upon Termination or Change of Control" section for further information regarding the post-termination benefits payable under each of these agreements.

Rodney Bingham and George Alexander

Term. The term of each executive's employment agreement commenced on April 30, 2010. Pursuant to the original terms of the employment agreement, unless terminated earlier, each employment agreement was scheduled to terminate on its second anniversary. In connection with the offering, the compensation committee approved an extension of each executive's employment agreement, with the extended term scheduled to terminate on April 30, 2014.

Salary and Bonus. The employment agreements of Messrs. Bingham and Alexander provide for an initial base salary of $280,000 and $250,000, respectively. In addition, if certain annual performance targets are met in the future, each executive will be eligible to receive an annual performance-based bonus. For fiscal 2012, the compensation committee, based on the advice of Longnecker & Associates, increased Messrs. Bingham's and Alexander's base salaries to $350,000 and $295,000, respectively, in recognition of each executive's increased responsibilities compared to fiscal 2011, including, in the case of Mr. Bingham, assuming the additional duties, responsibilities and risks associated with serving as President and Chief Executive Officer of a publicly traded company, and in the case of Mr. Alexander, assuming direct responsibility in the areas of global sales, project management, application engineering, field services and training.

Restrictive Covenants. The employment agreement of each executive prohibits the officer from competing with us during his employment period and for a period of one year thereafter.

Termination Benefits. We may terminate the employment agreement of each executive without cause, and each executive may terminate the employment agreement for any reason, upon ten days prior written notice to the other.

If an executive terminates his employment for "good reason" or we terminate his employment other than for "cause," "death," or "disability" (as such terms are defined in each executive's employment agreement), then the executive is entitled to receive a continuation of such executive's base salary for twelve months, a bonus for the current fiscal year (based on actual financial results and prorated for the period in the year in which the executive performs services for the Company), any earned but unpaid salary, and any accrued but unpaid bonus and benefits.

Upon termination of employment for death or "disability," if an executive terminates his employment without "good reason" or we terminate his employment for "cause" (as such terms are defined in each executive's employment agreement), then the executive is entitled to receive any earned but unpaid salary and any accrued but unpaid benefits.

The employment agreements do not provide for the payment of any benefits upon a change in control transaction.

Jay Peterson

Term. Mr. Peterson's employment commenced in July 2010. Mr. Peterson's employment is "at will," and either we or Mr. Peterson may terminate his employment agreement at any time, for any reason, with or without notice to the other.

Salary and Bonus. The employment agreement provides for an initial base salary of $225,000 per annum and, if certain annual performance targets are met in the future, Mr. Peterson will be eligible to receive an annual performance-based bonus, with a target award of 40% of his base salary.

Restrictive Covenants. The employment agreement prohibits Mr. Peterson from competing with us during his employment period and for a period of one year thereafter.

Termination Benefits. If Mr. Peterson terminates his employment due to a "change of control" or "significant diminution of duties," or if we terminate his employment other than for "cause" (as such terms are defined in his employment agreement), then Mr. Peterson is entitled to receive any earned but unpaid salary, any accrued but unpaid bonus and benefits, a bonus for the current fiscal year (based on actual financial results and prorated for the period in the year in which Mr. Peterson performs services for the Company), and, provided that no grounds for termination for "cause" existed at the time of such termination, a lump sum payment equal to 75% of his base salary. If Mr. Peterson's employment is terminated for any reason not specified above, Mr. Peterson is entitled to receive any earned but unpaid salary and any accrued but unpaid benefits.

René van der Salm

Term. The term of Mr. van der Salm's employment agreement commenced on April 1, 2011. Mr. van der Salm's employment is "at will," and either we or Mr. van der Salm may terminate his employment agreement at any time, for any reason, with or without notice to the other.

Salary and Bonus. The employment agreement provides for a base salary of $190,000 per annum and, if certain annual performance targets are met in the future, Mr. van der Salm will be eligible to receive an annual performance-based bonus, with a target award of 40% of his base salary.

Restrictive Covenants. The employment agreement prohibits Mr. van der Salm from competing with us during his employment period and for a period of one year thereafter.

Termination Benefits. If we terminate Mr. van der Salm's employment other than for "cause" (as such term is defined in his employment agreement), then Mr. van der Salm is entitled to receive any earned but unpaid salary, any accrued but unpaid bonus and benefits, and, provided that no grounds for termination for "cause" existed at the time of such termination, continuation of such executive's base salary for twelve months. If Mr. van der Salm's employment is terminated for any reason other than by the Company for "cause," Mr. van der Salm is entitled to receive any earned but unpaid salary and any accrued but unpaid benefits. In addition, if Mr. van der Salm terminates his employment due to a "change of control" or "significant diminution of duties," or if we terminate his employment other than for "cause" (as such terms are defined in his employment agreement), Mr. van der Salm will receive a bonus for the current fiscal year, based on actual financial results and prorated for the period in the year in which Mr. van der Salm performs services for the Company.

Impact of Tax and Accounting Treatments

We believe that the compensation paid to our named executive officers is fully deductible under the Internal Revenue Code at the time it is paid. We further believe that FASB ASC Topic 718 does not have a material effect on our compensation program because we do not regularly award stock options, restricted shares or other equity-based compensation.

Timing of Compensation Decisions

Prior to or shortly after the beginning of each fiscal year, the named executive officers as a group review prior year performance and prepare recommendations with respect to base salaries and the distribution of annual bonus and long-term incentives, if any, for the prior year.

2011 Long-Term Incentive Plan

Prior to the consummation of this offering, we expect to adopt a 2011 Long-Term Incentive Plan, which we refer to as the LTIP, which is intended to provide our officers, employees, non-employee directors and consultants with added incentive to remain employed by or perform services for us and align such individuals' interests with those of our stockholders. The material terms of the LTIP are expected to be as follows:

Plan Term. The LTIP term begins upon the date of approval by the board and terminates on the tenth anniversary of its effective date, unless terminated earlier by the board.

Eligible Participants. All officers, employees, independent contractors, consultants and non-employee directors and persons expected to become officers, employees, independent contractors, consultants or non-employee directors of us or any of our subsidiaries are eligible to receive awards under the LTIP. The compensation committee shall determine the participants under the LTIP.

Shares Authorized. 2,893,341 shares of our common stock will be available for awards granted under the LTIP, subject to adjustment for stock splits and other similar changes in capitalization. From this amount, we intend to grant options to purchase 122,000 shares of our common stock to our executive officers and certain other employees with an exercise price equal to the initial public offering price concurrently with the pricing of this offering. The number of available shares will be reduced by the aggregate number of shares that become subject to outstanding awards granted under the LTIP. To the extent that shares subject to an outstanding award granted under the LTIP are not issued or delivered by reason of the expiration, termination, cancellation or forfeiture of such award or by reason of the settlement of such award in cash, then such shares will again be available under the LTIP.

Award Types. Awards include non-qualified and incentive stock options, stock appreciation rights, restricted stock, restricted stock units and performance units, any or all of which may be subject to

time-based or performance-based vesting requirements. The compensation committee has the discretionary authority to determine the size of an award.

Administration. The compensation committee shall interpret, construe and administer the LTIP. The compensation committee's interpretation, construction and administration of the LTIP and all of its determinations thereunder shall be final, conclusive and binding on all persons.

The compensation committee shall have the authority to determine the participants in the LTIP, the form, amount and timing of any awards, the performance measures, if any, and all other terms and conditions pertaining to any award. The compensation committee may take any action such that (i) any outstanding options and stock appreciation rights become exercisable in part or in full, (ii) all or any portion of a restriction period on any restricted stock or restricted stock units shall lapse, (iii) all or a portion of any performance period applicable to any performance-based award shall lapse and (iv) any performance measures applicable to any outstanding award be deemed satisfied at the target level or any other level. The compensation committee may delegate some or all of its powers and authority to the President and Chief Executive Officer or other executive officer as the compensation committee deems appropriate, except for awards granted to any officer who is subject to Section 16 of the Exchange Act. Only the compensation committee may make decisions concerning the timing, pricing or amounts of an award to such officers.

Stock Options and Stock Appreciation Rights. The LTIP provides for the grant of stock options and stock appreciation rights. Stock options may be either tax-qualified incentive stock options or non-qualified stock options. The compensation committee will determine the terms and conditions to the exercisability of each option and stock appreciation right.

The period for the exercise of a non-qualified stock option or stock appreciation right will be determined by the compensation committee provided that no option may be exercised later than ten years after its date of grant. The exercise price of a non-qualified stock option and the base price of a stock appreciation right will not be less than 100% of the fair market value of a share of our common stock on the date of grant, provided that the base price of a stock appreciation right granted in tandem with an option will be the exercise price of the related option. A stock appreciation right entitles the holder to receive upon exercise (subject to tax withholding in respect of an employee) shares of our common stock (which may be restricted stock) with a value equal to the difference between the fair market value of our common stock on the exercise date and the base price of the stock appreciation right.

Each incentive stock option will be exercisable for not more than ten years after its date of grant, unless the optionee owns greater than ten percent of the voting power of all shares of our capital stock, who we refer to as a ten percent holder, in which case the option will be exercisable for not more than five years after its date of grant. The exercise price of an incentive stock option will not be less than the fair market value of a share of our common stock on its date of grant, unless the optionee is a ten percent holder, in which case the option exercise price will be the price required by the Internal Revenue Code, currently 110% of fair market value.

Upon exercise, the option exercise price may be paid in cash, by the delivery of previously owned shares of our common stock or through a cashless exercise arrangement. All of the terms relating to the exercise, cancellation or other disposition of an option or stock appreciation right upon a termination of employment, whether by reason of disability, retirement, death or any other reason, shall be determined by the compensation committee.

Stock Awards. The LTIP provides for the grant of stock awards. The compensation committee may grant a stock award either as a restricted stock award or a restricted stock unit award and, in either case, the compensation committee may determine that such award shall be subject to the attainment of performance measures over an established performance period. All of the terms relating

to the satisfaction of performance measures and the termination of a restriction period, or the forfeiture and cancellation of a stock award upon a termination of employment, whether by reason of disability, retirement, death or any other reason, will be determined by the compensation committee.

The agreement awarding restricted stock units will specify whether such award may be settled in shares of our common stock, cash or a combination thereof and whether the holder will be entitled to receive dividend equivalents, on a current or deferred basis, with respect to such award. Prior to settlement of a restricted stock unit, the holder of a restricted stock unit will have no rights as our stockholder.

Unless otherwise set forth in a restricted stock award agreement, the holder of shares of restricted stock will have rights as our stockholder, including the right to vote and receive dividends with respect to the shares of restricted stock, except that (i) distributions made with respect to shares of restricted stock, other than regular cash dividends, and (ii) regular cash dividends with respect to shares of restricted stock subject to performance-based vesting conditions, in each case, will be held by us and will be subject to the same restrictions as the restricted stock.

Performance Unit Awards. The LTIP also provides for the grant of performance unit awards. Each performance unit is a right, contingent upon the attainment of performance measures within a specified performance period, to receive a specified cash amount or shares of our common stock, which may be restricted stock, having a fair market value equal to such cash amount. Prior to the settlement of a performance unit award in shares of our common stock, the holder of such award will have no rights as our stockholder with respect to such shares. Performance units will be non-transferable and subject to forfeiture if the specified performance measures are not attained during the specified performance period. All of the terms relating to the satisfaction of performance measures and the termination of a performance period, or the forfeiture and cancellation of a performance unit award upon a termination of employment, whether by reason of disability, retirement, death or any other reason, will be determined by the compensation committee.

Performance Measures. Under the LTIP, the vesting or payment of performance-based awards will be subject to the satisfaction of certain performance measures. The performance measures applicable to a particular award will be determined by the compensation committee at the time of grant. The performance measures may be one or more of the following corporate-wide or subsidiary, division, operating unit or individual measures, stated in either absolute terms or relative terms, such as rates of growth or improvement: the attainment by a share of our common stock of a specified fair market value for a specified period of time, earnings per share, return to stockholders (including dividends), return on assets, return on equity, our earnings before or after taxes and/or interest, revenues, expenses, market share, cash flow or cost reduction goals, interest expense after taxes, return on investment, return on investment capital, return on operating costs, economic value created, operating margin, gross margin, achievement of annual operating profit plans, net income before or after taxes, pretax earnings before interest, depreciation and/or amortization, pretax operating earnings after interest expense and before incentives, and/or extraordinary or special items, operating earnings, net cash provided by operations, and strategic business criteria, consisting of one or more objectives based on meeting specified market penetration, geographic business expansion goals, cost targets, days sales outstanding goals, customer satisfaction, attainment of specified safety metrics, reductions in errors and omissions, reductions in lost business, management of employment practices and employee benefits, supervision of litigation and information technology, quality and quality audit scores, productivity, efficiency, and goals relating to acquisitions or divestitures, or any combination of the foregoing.

Change of Control. In the event of a change of control, the board may, in its discretion, (1) provide that (A) some or all outstanding options and stock appreciation rights shall immediately become exercisable in full or in part, (B) the restriction period applicable to some or all outstanding stock awards shall lapse in full or in part, (C) the performance period applicable to some or all

outstanding awards shall lapse in full or in part, and (D) the performance measures applicable to some or all outstanding awards shall be deemed to be satisfied at target, maximum or any other level, (2) require that shares of stock of the corporation resulting from such change of control, or a parent corporation thereof, be substituted for some or all of our shares subject to an outstanding award, and/or (3) require outstanding awards, in whole or in part, to be surrendered by the holder, and to be immediately cancelled, and to provide for the holder to receive (A) a cash payment in an amount equal to (i) in the case of an option or stock appreciation right, the number of our shares then subject to the portion of such option or stock appreciation right surrendered, whether vested or unvested, multiplied by the excess, if any, of the fair market value of a share of our common stock as of the date of the change of control, over the purchase price or base price per share of our common stock subject to such option or stock appreciation right, (ii) in the case of a stock award, the number of shares of our common stock then subject to the portion of such award surrendered, whether vested or unvested, multiplied by the fair market value of a share of our common stock as of the date of the change of control, and (iii) in the case of a performance unit award, the value of the performance units then subject to the portion of such award surrendered, whether vested or unvested; (B) shares of capital stock of the corporation resulting from such change of control, or a parent corporation thereof, having a fair market value not less than the amount determined under clause (A) above; or (C) a combination of the payment of cash pursuant to clause (A) above and the issuance of shares pursuant to clause (B) above.

Under the LTIP, a change of control shall occur upon: (i) the acquisition of fifty percent (50%) or more of either the then outstanding shares of common stock of the Company or the combined voting power of the then outstanding voting securities of the Company, but excluding any such acquisition by the Company or any of its subsidiaries, the Company's sponsors, any fund affiliated with the Company' sponsors, or any employee benefit plan (or related trust) of the Company or its subsidiaries, or any entity with respect to which, following such acquisition, more than 50% of, respectively, the then outstanding equity of such entity and the combined voting power of the then outstanding voting equity of such entity is then beneficially owned by the individuals and entities who were the beneficial owners, respectively, of the common stock and voting securities of the Company immediately prior to such acquisition; (ii) the consummation of a reorganization, merger or consolidation of the Company, in each case, with respect to which all or substantially all of the individuals and entities who were the respective beneficial owners of the common stock and voting securities of the Company immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation, beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities, as the case may be, of the corporation resulting from such reorganization, merger or consolidation; or (iii) a complete liquidation or dissolution of the Company or the sale or other disposition of all or substantially all of the assets of the Company. This offering and any bona find primary or secondary public offering following the occurrence of this offering will not constitute a change of control.

Amendment or Termination of the LTIP. The board may amend or terminate the LTIP as it deems advisable, subject to any requirement of stockholder approval required by law, rule or regulation.

New Plan Benefits. All officers, employees and non-employee directors are eligible for consideration to participate in the LTIP. In connection with this offering, the compensation committee intends to grant options to purchase 10,000 shares, 10,000 shares, 5,000 shares and 5,000 shares, each with an exercise price equal to the initial public offering price of this offering, to Messrs. Bingham, Alexander, Peterson and van der Salm, respectively.

2011 Summary Compensation Table

The following table summarizes the compensation of the named executive officers for the fiscal years ended March 31, 2011, March 31, 2010 and March 31, 2009. The named executive officers are our principal executive officer, principal financial officer, former principal financial officer, our two other most highly compensated executives serving as executive officers as of March 31, 2011 and our former Senior Vice President, Marketing and Technology.

Name and Principal Position	Fiscal Year	Salary ($)	Bonus ($)(1)	Option Awards ($)(2)	Stock Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	All Other Compensation ($)(5)	Total ($)
Rodney Bingham	2011	281,165	1,000	806,707	—	—	48,045	1,136,917
President and Chief	2010	265,608	160,000	—	—	—	47,179	472,787
Executive Officer (principal executive officer)	2009	231,238	161,000	—	—	—	34,064	426,302
George P. Alexander	2011	250,047	1,000	806,707	—	—	8,842	1,066,596
Executive Vice President,	2010	220,578	155,000	—	—	—	9,637	385,215
Global Sales	2009	204,664	146,000	—	—	—	8,259	358,923
Jay Peterson(6) Chief Financial Officer, Senior Vice President, Finance, Secretary (principal financial officer)	2011	152,098	500	530,587	—	67,500	1,150	751,835
René van der Salm	2011	164,505	141,000	673,127	—	—	8,246	986,878
Senior Vice President,	2010	160,536	120,000	—	—	—	7,836	288,372
Global Manufacturing	2009	160,568	121,000	—	—	—	7,364	288,932
Richard Hageman(7)	2011	77,102	61,000	—	—	—	5,749	143,851
Former Senior Vice	2010	165,567	100,000	—	—	—	8,795	274,362
President, Marketing and Technology	2009	165,593	121,000	—	—	—	8,195	294,788
David Ralph(8)	2011	125,297	151,000	—	—	—	6,439	282,736
Former Senior Vice	2010	210,624	155,000	—	—	—	8,221	373,845
President, Finance	2009	210,654	151,000	—	—	—	7,321	368,975

(1) The amounts reported in this column represent (i) a holiday bonus ($1,000 for Messrs. Bingham, Alexander, van der Salm, Hageman and Ralph and $500 for Mr. Peterson) and (ii) a transaction bonuses relating to the Acquisition paid to Messrs. van der Salm, Hageman and Ralph in the amount of $140,000, $ 60,000 and $150,000, respectively. The annual bonus to be paid to each of the named executive officers, with respect to fiscal 2011 performance has not been determined as of the date of this prospectus. The Company expects to determine and pay bonuses to all Company employees in the first quarter of fiscal 2012.

(2) The amounts reported in this column for the fiscal 2011 option awards granted under the 2010 Equity Plan are valued based on the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. The Company used a Black-Scholes option pricing model to estimate the aggregate grant date fair value of the options granted in fiscal 2011. Due to the fact that the common stock underlying the options is not publicly traded, the expected volatility is based on a comparable group of companies. The expected term is based on the simplified method due to the lack of historical exercise data. The risk-free rate for periods within the contractual life of the option is based on the Treasury bill coupon rate for U.S. Treasury securities with a maturity that approximates the expected term and we used a dividend yield of zero. The vesting of the option awards may be accelerated upon the satisfaction of certain performance-based vesting conditions. The performance-based vesting conditions determine the timing of vesting and not the level of vesting. Therefore, for purposes of this table, the grant date fair value represents the maximum known compensation related to the option award. All options granted under the 2010 Equity Plan vest immediately prior to the consummation of this offering. Please see note 14 to the unaudited financial statements for the nine months ended December 31, 2010, included elsewhere in this prospectus, for a discussion of the relevant assumptions used in calculating these amounts.

(3) Following the Audax Transaction in late 2007, the Company established a "profits-interest program" under which the Company granted Class P Units to certain employees, including the named executive officers with the Company at the time of the transaction. These P Unit awards were considered to be equity awards subject to FASB ASC Topic 718. As noted in "—Elements of Our Compensation Program—Long-Term Incentives" and the 2011 Stock Vested Table, the P Unit program was cancelled and the outstanding P Units vested and were settled in cash and the value of the accelerated vesting of the P Units received by Messrs. Bingham, Alexander, Hageman, Ralph and van der Salm was $1,897,265, $1,897,265, $1,045,355, $1,045,355 and $851,929, respectively.

(4) Under the terms of Mr. Peterson's employment agreement, he was eligible to receive a target bonus equal to 40% of his base salary upon the satisfaction of performance objectives established by the Company and prorated based on the portion of the year in which Mr. Peterson was employed by the Company. Please see "—Elements of our Compensation Program—Annual Bonuses" for further information regarding the fiscal 2011 annual bonus program. The amount reported represents the prorated target bonus award earned by Mr. Peterson during fiscal 2011, although Mr. Peterson's final bonus has not yet been determined and may be greater than the prorated target bonus amount disclosed herein. As noted "—Elements of Our Compensation—Bonuses—Annual Bonuses," all other named executive officers are eligible to receive a discretionary allocation of the annual bonus pool. This allocation has not been determined as of the date of this prospectus.

(5) Amounts included in this column for fiscal 2011 are set forth by category in the following table:

Name	Company Contribution to 401(k) ($)	Group Life Insurance ($)	Company Apartment ($)(a)	Company Provided Vehicle ($)(a)	All Other Compensation Total ($)
Rodney Bingham	7,467	1,320	22,693	16,565	48,045
George P. Alexander	7,561	1,281	—	—	8,842
Jay Peterson	654	496	—	—	1,150
René van der Salm	7,385	861	—	—	8,246
Richard Hageman	5,313	436	—	—	5,749
David Ralph	5,885	554	—	—	6,439

(a) Mr. Bingham regularly commutes between our facilities in Houston, Texas and our headquarters in San Marcos, Texas. Included in "All Other Compensation" for Mr. Bingham for fiscal 2011 were payments for expenses related to the cost to maintain a corporate apartment for Mr. Bingham when he works at our headquarters, moving expenses incurred in connection with the relocation of personal effects to the apartment and the cost of a Company leased vehicle for commuting between Houston and San Marcos, Texas. We value these benefits based on the actual cost incurred.

(6) Mr. Peterson joined the Company in July 2010 as Chief Financial Officer and was appointed Senior Vice President, Finance in October 2010.

(7) Mr. Hageman retired from the Company on August 31, 2010.

(8) Mr. Ralph retired from the Company on September 30, 2010.

2011 Grants of Plan-Based Awards

The following table summarizes awards made to our named executive officers in fiscal 2011.

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards Target ($)(1)	Estimated Future Payouts Under Equity Incentive Plan Awards Target (#)(2)	Exercise or Base Price of Option Awards ($/sh)	Grant Date Fair Value of Stock and Option Awards ($)(3)
Rodney Bingham	10/20/2010	—	326,602	5.20	806,707
George P. Alexander	10/20/2010	—	326,602	5.20	806,707
Jay Peterson	—	60,000	—	—	—
	10/20/2010	—	163,397	5.20	403,591
	03/01/2011	—	27,136	9.82	126,996
René van der Salm	10/20/2010	—	272,521	5.20	673,127
Richard Hageman	—	—	—	—	—
David Ralph	—	—	—	—	—

(1) The amount reported in this column for Mr. Peterson represents the target bonus granted to Mr. Peterson pursuant to the terms of his employment agreement.

(2) The amounts reported in this column represent stock options granted to each named executive officer under the Thermon Group Holdings, Inc. Restricted Stock and Stock Option Plan. All such options shall become eligible for vesting in five equal tranches, with the portion of each tranche that vests determined by the board of directors based on the attainment of annual performance objectives established by the board of directors. Any portion of the shares eligible for vesting that do not vest based on the attainment of such performance objectives shall be added to the number of shares eligible to vest on the next scheduled vesting date, subject to the participant's continuous employment. All shares subject to such options shall vest on the seventh anniversary of the grant date if the participant remains continuously employed by us and our outstanding equity securities attain a specified fair value as of such vesting date.

(3) The amounts shown in this column are valued based on the aggregate grant date fair value computed in accordance with FASB ASC Topic 718.

2011 Outstanding Equity Awards at Fiscal Year-End

The following table provides information regarding outstanding option awards held by each of the named executive officers at March 31, 2011.

	Option Awards			
Name	Number of Securities Underlying Unexercised Options Exercisable (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)(1)	Option Exercise Price ($)	Option Expiration Date
Rodney Bingham	—	326,602	5.20	10/20/2020
George P. Alexander	—	326,602	5.20	10/20/2020
Jay Peterson	—	163,397	5.20	10/20/2020
	—	27,136	9.82	03/01/2021
René van der Salm	—	272,521	5.20	10/20/2020
Richard Hageman	—	—	—	—
David Ralph	—	—	—	—

(1) All of the options granted to Messrs. Bingham, Alexander, and van der Salm were granted on October 20, 2010. Mr. Peterson received a grant of 163,397 options on October 20, 2010 and 27,136 options on March 1, 2011. The option awards granted to the named executive officers in fiscal 2011 become eligible for vesting in five equal tranches, with the portion of each tranche that vests determined by the board of directors based on the attainment of annual performance objectives established by the board of directors. Any portion of the shares eligible for vesting that do not vest based on the attainment of such performance objectives shall be added to the number of shares eligible to vest on the next scheduled vesting date, subject to the participant's continuous employment. All shares subject to such options shall vest on the seventh anniversary of the grant date if the participant remains continuously employed by us and our outstanding equity securities attain a specified fair value as of such vesting date. These outstanding options shall vest and become exercisable immediately prior to the consummation of the offering.

2011 Stock Vested Table

The following table provides information concerning the vesting of P Units in connection with the Acquisition for each of the named executive officers.

	Stock Awards	
Name	Number of Units Acquired on Vesting(1) (#)	Value Realized on Vesting ($)
Rodney Bingham	500	1,897,265
George P. Alexander	500	1,897,265
Jay Peterson	—	—
René van der Salm	224	851,929
Richard Hageman	277	1,045,355
David Ralph	277	1,045,355

(1) Amounts reported in this column represent the number of each named executive officer's P Units that vested in connection with the Acquisition. The P Units were issued by the Predecessor and were therefore not affected by the March 31, 2011 stock split.

Potential Payments Upon Termination or Change of Control

Employment Agreements

Pursuant to the terms of the Company's employment agreements with Messrs. Bingham, Alexander and Peterson, each is eligible to receive certain payments upon a qualifying termination or, in the case of Mr. Peterson, a change of control of the Company.

Post-Termination Payments Payable to Rodney Bingham and George Alexander

If either Mr. Bingham or Mr. Alexander terminates his employment for "good reason" or we terminate his employment other than for "cause," "death," or "disability," then the executive is entitled to receive the continuation of such executive's base salary for twelve months, any earned but unpaid bonus from the current fiscal year (based on actual financial results and prorated for the period in the year in which the executive performs services for the Company), any earned but unpaid salary, and any accrued but unpaid bonus and benefits. If such a termination occurred as of March 31, 2011, Messrs. Bingham and Alexander would have received salary continuation payments of $280,000 and $250,000, respectively. As noted above, as of the date of this prospectus, the fiscal 2011 bonuses have not been determined.

If either Mr. Bingham or Mr. Alexander terminates his employment without "good reason," we terminate his employment for "cause" or the employment terminates due to death or "disability," then the executive is entitled to receive any earned but unpaid salary and any accrued but unpaid benefits.

Under Mr. Bingham and Mr. Alexander's employment agreement, "cause" means: (i) the commission by the executive of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation by executive of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct by executive which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation by executive of any law regarding employment discrimination or sexual harassment; (v) the failure by executive to comply with any material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to executive; (vi) the repeated failure by executive to follow the reasonable directives of any supervisor or the board of directors, which failure is not cured within 30 days after notice to executive; (vii) the unauthorized

dissemination by executive of confidential information in violation of the employment agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding executive (including executive's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of executive; (ix) the Company's discovery that, prior to executive's employment with the Company, executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by executive of the employment agreement that is not cured within 30 days after notice to executive.

Under Mr. Bingham and Mr. Alexander's employment agreement, "good reason" means any of the following without executive's consent: (i) the assignment to executive of any duties or responsibilities materially inconsistent with executive's position and title, or a material reduction in executive's responsibilities and authority, except in connection with the termination of executive's employment for cause, disability or death; (ii) a reduction by the Company in executive's base salary below the initial base salary set forth in the employment agreement, except for a non-permanent reduction that is part of a program applied to other senior executives of the Company necessitated by economic or other financial conditions; or (iii) requiring the executive to relocate or perform services on a regular basis more than 25 miles from executive's principal place of business as of the date hereof, or, in the event executive consents to any relocation, the failure by the Company to pay (or reimburse executive) for reasonable moving expenses under the Company relocation policy in effect at the time of the relocation.

Post-Termination Payments Payable to Jay Peterson

Under the terms of Mr. Peterson's employment agreement, if Mr. Peterson terminates his employment due to a "change of control" or "significant diminution of duties," or if we terminate his employment other than for "cause," then Mr. Peterson is entitled to receive any earned but unpaid salary, any accrued but unpaid bonus and benefits, a bonus for the current fiscal year (based on actual financial results and prorated for the period in the year in which Mr. Peterson performs services for the Company), and, provided that no grounds for termination for "cause" existed at the time of such termination, a lump sum payment equal to 75% of his base salary. If such a termination occurred as of March 31, 2011, Mr. Peterson would have received a lump sum payment equal to $168,750. As noted above, as of the date of this prospectus, the fiscal 2011 bonuses have not been determined.

If Mr. Peterson's employment is terminated for any reason not specified above, Mr. Peterson is entitled to receive any earned but unpaid salary and any accrued but unpaid benefits.

Under Mr. Peterson's agreement, "change of control" means the sale (in a single transaction or a series of related transactions) of the Company to any person (other than our sponsor) pursuant to which such person acquires (i) all or substantially all of the assets of the Company and all of its wholly-owned subsidiaries, determined on a consolidated basis, or (ii) a majority of the then outstanding shares of the Company's common stock (whether by merger, consolidation, sale or transfer of shares, reorganization, recapitalization or otherwise); provided that Mr. Peterson provides written notice, within 180 days of the change of control, of his intention to terminate his employment.

Under Mr. Peterson's agreement, "cause" means: (i) the commission of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation of any law regarding employment discrimination or sexual harassment; (v) the failure to comply with any material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to the executive; (vi) the repeated failure to follow the reasonable directives of the Chief Executive Officer or

the board of directors, which failure is not cured within 30 days after notice to executive; (vii) the unauthorized dissemination of confidential information in violation of the employment agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding executive (including work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of executive; (ix) the Company's discovery that, prior to executive's employment with the Company, executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by executive of this Agreement that is not cured within 30 days after notice to executive.

Under Mr. Peterson's employment agreement, "significant diminution of duties" means the assignment to Mr. Peterson of any duties or responsibilities materially inconsistent with his position and title, or a material reduction in Mr. Peterson's responsibilities and authority, except in connection with the termination of Mr. Peterson's employment for cause, disability or death.

Post-Termination Payments Payable to René van der Salm

Subsequent to fiscal 2011, the Company entered into an employment agreement with Mr. van der Salm. Under the terms of Mr. van der Salm's employment agreement, if we terminate Mr. van der Salm's employment other than for "cause," then Mr. van der Salm is entitled to receive any earned but unpaid salary, any accrued but unpaid bonus and benefits, and, provided that no grounds for termination for "cause" existed at the time of such termination, the continuation of such executive's base salary for twelve months. In addition, if Mr. van der Salm terminates his employment due to a "change of control" or "significant diminution of duties," or if we terminate his employment other than for "cause" (as such terms are defined in his employment agreement), Mr. van der Salm will receive a bonus for the current fiscal year, based on actual financial results and prorated for the period in the year in which Mr. van der Salm performs services for the Company. Please see the description of Mr. Peterson's post-termination payments for the definitions of "cause," "change of control" and "significant diminution of duties" applicable to Mr. van der Salm.

Acceleration of Equity

In the event of any merger, consolidation, reorganization or liquidation of the Company or other similar transaction or in the event of a sale of the Company, the board of directors, in its discretion, may (i) require outstanding options to be surrendered by the participant and to be immediately cancelled, and to provide for the participant to receive a cash payment in an amount equal to the number of our shares then subject to the option, whether vested or unvested, multiplied by the excess, if any, of the fair market value of a share of our common stock as of the date of the transaction, over the exercise price; (ii) require that the option be assumed, or an equivalent option substituted, by the acquiring entity or its parent; (iii) require that the exercisable portion of an option be exercised by the participant within a specified period preceding the transaction; or (iv) provide that all or a portion of any option become exercisable or vested immediately prior to the transaction. Pursuant to the outstanding stock option agreements, all outstanding option awards shall vest and become exercisable immediately prior to the consummation of this offering. Assuming that a sale of the Company occurred as of March 31, 2011 and the board of directors exercised its discretion to require that all outstanding options be surrendered and for the holder of such options to receive a cash payment equal to the number of shares subject to the option multiplied by the excess, if any, of the fair market value per share over the exercise price, Messrs. Bingham, Alexander, Peterson and van der Salm each would have received equity values with respect to the vesting of options of approximately $1,510,000, $1,510,000, $755,000 and $1,260,000, respectively. For purposes of this calculation, the Company estimated the fair market value of a share of common stock to be equal to $9.82, representing the fair market value determined as of March 1, 2011.

As noted above, all outstanding option awards shall vest and become exercisable immediately prior to the consummation of this offering.

PRINCIPAL AND SELLING STOCKHOLDERS

The following table shows the beneficial ownership of shares of our common stock immediately preceding and following this offering by (i) each of our directors, director nominees and executive officers, individually and as a group, (ii) each person known to our management to be the beneficial owner of more than 5% of the outstanding shares of our common stock, and (iii) each selling stockholder. Investment funds sponsored by the sponsors and certain members of management, together with certain former managers, own all of our common stock.

In accordance with the rules of the SEC, beneficial ownership includes voting or investment power with respect to securities and, solely with respect to shares beneficially owned after the consummation of this offering, includes the shares issuable pursuant to stock options granted under the 2010 Equity Plan, which will vest and become exercisable immediately prior to the consummation of this offering, and are therefore exercisable within 60 days of the date of this offering. Stock options granted under the LTIP are not exercisable within 60 days of the date of this offering. Shares issuable pursuant to stock options are deemed outstanding for computing the percentage of the respective person or group holding such options but are not outstanding for computing the percentage of any other person or group. The percentage of beneficial ownership for the following table is based on 24,933,407 shares of common stock outstanding as of the date hereof. The number of shares of common stock outstanding after this offering, assuming no exercise of the underwriters' over-allotment option, includes an additional 4,000,000 shares of common stock being offered for sale by us in this offering and, assuming full exercise of the underwriters' over-allotment option, includes an additional 1,425,098 shares of common stock being offered for sale by us in the underwriters' over-allotment option. To our knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock. Unless otherwise indicated, the address for each listed stockholder is: c/o Thermon Group Holdings, Inc., 100 Thermon Drive, San Marcos, Texas 78666.

Each of our directors and executive officers and each selling stockholder is party to the Securityholder Agreement, which sets forth certain significant provisions that will survive the consummation of this offering relating to, among other things, the voting of shares in elections of directors and restrictions on transfers or dispositions of shares in the open market, as described more fully in "Certain Relationships and Related Party Transactions—Securityholder Agreement" and "Shares Available for Future Sale—Lock-up Agreements."

Name of Beneficial Owner	Shares Beneficially Owned Prior to the Offering		Shares Being Sold In Base Offering	Shares Being Sold In Over-allotment Option	Shares Beneficially Owned After the Offering (Assuming No Exercise of the Over-allotment Option)		Shares Beneficially Owned After the Offering (Assuming Full Exercise of the Over-allotment Option)	
	Number	Percentage			Number	Percentage	Number	Percentage
5% Stockholders:								
CHS Private Equity V LP(1)	13,863,954	55.6%	4,307,161	—	9,556,793	33.0%	9,556,793	31.5%
Thompson Street Capital Partners II, L.P(2)	4,811,467	19.3%	1,494,794	—	3,316,673	11.5%	3,316,673	10.9%
Crown Investment Series LLC—Series 4(3)	2,838,766	11.4%	72,177	—	2,766,589	9.6%	2,766,589	9.1%
Star Investment Series LLC—Series 1(4)	144,344	*	46,526	—	97,818	*	97,818	*
Executive Officers, Directors and Director Nominee:								
George P. Alexander(5)(6)	381,840(7)	1.5%	—	—	708,442	2.4%	708,442	2.3%
Rodney Bingham(6)	384,917(7)	1.5%	—	—	711,519	2.4%	711,519	2.3%
Jay Peterson(8)	—	—	—	—	190,533	*	190,533	*
René van der Salm(9)	157,046(7)	*	—	—	429,567	1.5%	429,567	1.4%
James A. Cooper(10)	4,811,467	19.3%	1,494,794	—	3,316,673	11.5%	3,316,673	10.9%
Marcus J. George(11)	13,863,954	55.6%	4,307,161	—	9,556,793	33.0%	9,556,793	31.5%
Richard E. Goodrich(12)	19,246(7)	*	—	—	35,604	*	35,604	*
Daniel J. Hennessy(11)	13,863,954	55.6%	4,307,161	—	9,556,793	33.0%	9,556,793	31.5%
Brian P. Simmons(11)	13,863,954	55.6%	4,307,161	—	9,556,793	33.0%	9,556,793	31.5%
Charles A. Sorrentino(12)	28,869(7)	*	—	—	45,227	*	45,227	*
Michael W. Press	—	—	—	—	—	—	—	—
All executive officers and directors as a group (11 persons)(13)	19,647,339(20)	78.8%	5,801,955	—	14,994,358	51.8%	14,994,358	49.4%
Other Selling Stockholders:								
Richard L. Burdick(14)	142,227(7)	*	45,844	—	96,383	*	96,383	*
David P. Ralph(15)	104,698(7)	*	12,407	—	92,291	*	92,291	*
Paul E. Irwin(16)	61,587(7)	*	6,203	—	55,384	*	55,384	*
Jack N. Sigovich(17)	57,738(7)	*	12,407	—	45,331	*	45,331	*
Min Suk Jung(18)	6,351(7)	*	1,654	—	4,697	*	4,697	*
Sandra Michalewicz(19)	3,849(7)	*	827	—	3,022	*	3,022	*
Brian McLennan(20)(21)	80,448(7)	*	—	12,407	134,913	*	122,506	*
Roy Barth(22)	50,039(7)	*	—	14,475	50,039	*	35,564	*
Beverly Childers(23)	39,454(7)	*	—	12,717	39,454	*	26,737	*
Eric Reitler(21)(24)	49,077(7)	*	—	15,819	103,542	*	87,723	*
Kenneth O'Bryant(25)	19,823(7)	*	—	2,481	19,823	*	17,342	*
Gary Craig(26)	46,767(7)	*	—	4,136	46,767	*	42,631	*
Byungho Park(27)(28)	23,672(7)	*	—	2,035	51,001	*	48,966	*
William M. Bruce(28)(29)	10,585(7)	*	—	827	37,914	*	37,087	*
Gordon Brown(30)	8,083(7)	*	—	2,605	8,083	*	5,478	*
Werner Stadler(31)	5,774(7)	*	—	349	5,774	*	5,425	*
Richard Farrugia(32)	5,774(7)	*	—	1,861	5,774	*	3,913	*
Serge Richardot(28)(33)	5,966(7)	*	—	662	33,295	*	32,633	*
John Grant(28)(34)	7,698(7)	*	—	2,481	35,027	*	32,546	*
Gerardo Lopez(21)(35)	6,351(7)	*	—	2,047	60,816	*	58,769	*

* Less than 1% of our outstanding common stock

(1) As of the date of this prospectus CHS Private Equity V LP holds 13,857,025 shares and CHS Associates V, an entity related to CHS, holds 6,929 shares. CHS Private Equity V LP and CHS Associates V will sell 4,305,008 shares and 2,153 shares, respectively, in the offering, and will hold 9,552,017 shares and 4,776 shares, respectively, after the offering. The Investment Committee of CHS exercises sole voting and dispositive powers with respect to the shares of the Company held by both CHS Private Equity V LP and CHS Associates V. The members of the Investment Committee are Andrew W. Code, Brian P. Simmons, Daniel J. Hennessy, Thomas J. Formolo, David O. Hawkins, Richard A. Lobo, Steven R. Brown, Edward M. Lhee and Marcus J. George, who we collectively refer to as the Investment Committee Members. Each of the Investment Committee Members disclaims beneficial ownership of the shares of the Company held by CHS Private Equity V LP and CHS Associates V, except to the extent of a pecuniary interest therein. The address of each of the Investment Committee Members is c/o CHS Capital LLC, 10 South Wacker Drive, Suite 3175, Chicago, Illinois 60606. See "Certain Relationships and Related Party Transactions" for a discussion of other material relationships with the Company.

(2) Thompson Street Capital II GP, L.P. is the general partner of Thompson Street Capital Partners II, L.P. Thompson Street Capital LLC is the general partner of Thompson Street Capital II GP, L.P. Mr. James A. Cooper is the sole member of Thompson Street Capital LLC. Each of Thompson Street Capital II GP, L.P., Thompson Street Capital LLC, and Mr. Cooper may be deemed to share beneficial ownership of any shares beneficially owned by Thompson Street Capital Partners II, L.P., but each disclaims such beneficial ownership except to the extent of a pecuniary interest therein. The address of each of the entities listed in this footnote and Mr. Cooper is c/o Thompson Street Capital LLC, 120 South Central Avenue, Suite 600, Saint Louis, Missouri 63105. See "Certain Relationships and Related Party Transactions" for a discussion of other material relationships with the Company.

(3) Longview Asset Management LLC, which we refer to as Longview, is the manager of Crown Investment Series LLC—Series 4, which we refer to as Crown, and holds voting power and investment power over the shares of stock held by Crown. Mr. James A. Star is the President of Longview. Each of Mr. Star and Longview disclaims beneficial ownership of the shares of the Company held by Crown, except to the extent of a pecuniary interest therein. The address of each of Mr. Star and Longview is c/o Crown Investment Series LLC, 222 North LaSalle Street, Chicago, Illinois 60601. See "Certain Relationships and Related Party Transactions" for a discussion of other material relationships with the Company.

(4) Mr. James A. Star exercises sole voting and dispositive powers with respect to the shares of the Company held by Star Investment Series LLC—Series 1.

(5) Includes 95,460 shares owned by the Bridget Alexander Trust, which is for the benefit of spouse Bridget Alexander, 95,460 shares owned by the BA 2008 Grantor Retained Annuity Trust, which is for the benefit of George Alexander, and 95,460 shares owned by spouse Bridget Alexander.

(6) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 326,602 shares of our common stock as a result of this offering.

(7) Immediately prior to the consummation of this offering, both classes of our common stock will be automatically converted into a single class of voting common stock pursuant to the terms of our certificate of incorporation.

(8) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 190,533 shares of our common stock as a result of this offering.

(9) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 272,521 shares of our common stock as a result of this offering.

(10) Shares are owned by Thompson Street Capital Partners II, L.P., of which Mr. Cooper is a managing partner. Mr. Cooper may be deemed to share beneficial ownership of such shares with Thompson Street Capital II GP, L.P. and Thompson Street Capital LLC, but each disclaims such beneficial ownership except to the extent of a pecuniary interest therein.

(11) Shares are owned by CHS Private Equity V LP and CHS Associates V. Mr. George, Mr. Hennessy and Mr. Simmons are partners of CHS Capital LLC, an affiliate of CHS Private Equity V LP and CHS Associates V. Each of Mr. George, Mr. Hennessy and Mr. Simmons disclaims beneficial ownership of such shares except to the extent of a pecuniary interest therein.

(12) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 16,358 shares of our common stock as a result of this offering.

(13) Includes shares for which the following directors have disclaimed beneficial ownership: Mr. George, Mr. Hennessy, Mr. Simmons and Mr. Cooper. See footnotes 10 and 11 above.

(14) Mr. Burdick was a director of Thermon Holdings, LLC until the closing of the Acquisition on April 30, 2010.

(15) Mr. Ralph was a director of Thermon Holding Corp. until the closing of the Acquisition on April 30, 2010 and Senior Vice President, Finance of Thermon Group Holdings, Inc. and certain of its subsidiaries until September 2010.

(16) Mr. Irwin is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(17) Shares are owned by the Jack N. Sigovich and Ingried M. Sigovich Revocable Family Trust, which is for the benefit of Mr. Sigovich's children. Mr. Sigovich was an employee of Thermon Holding Corp. or one of its subsidiaries until March 2009 and is currently a consultant to Thermon Group Holdings, Inc. or one of its subsidiaries.

(18) Ms. Jung was an employee of Thermon Group Holdings, Inc. or one of its subsidiaries until November 2010.

(19) Ms. Michalewicz was an employee of Thermon Group Holdings, Inc. or one of its subsidiaries until August 2010.

(20) Mr. McLennan is President of Thermon Canada, Inc.

(21) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 54,465 shares of our common stock as a result of this offering.

(22) Mr. Barth is Vice President, Global Technical Support Team of Thermon Group Holdings, Inc. or one of its subsidiaries.

(23) Prior to October 2010, Ms. Childers was Treasurer of Thermon Holding Corp. and its U.S. subsidiaries. Ms. Childers is currently an employee of one of Thermon Group Holdings, Inc.'s subsidiaries.

(24) Mr. Reitler is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(25) Mr. O'Bryant is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(26) Mr. Craig is Distribution Markets Manager of Thermon Canada, Inc.

(27) Mr. Park is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(28) The increase in shares beneficially owned after the offering is due to the acceleration of stock options to purchase 27,329 shares of our common stock as a result of this offering.

(29) Mr. Bruce is an advisor to Thermon Group Holdings, Inc. or one of its subsidiaries.

(30) Mr. Brown is Financial Officer of Thermon Canada, Inc.

(31) Mr. Stadler is Operations Manager of Thermon Group Holdings, Inc. or one of its subsidiaries.

(32) Mr. Farrugia is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(33) Mr. Richardot is an employee of Thermon Group Holdings, Inc. or one of its subsidiaries.

(34) Mr. Grant is Global Business Development Manager of Thermon Group Holdings, Inc. or one of its subsidiaries.

(35) Mr. Lopez is Director, Business Information Systems of Thermon Group Holdings, Inc. or one of its subsidiaries.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Audax Management Fee

Upon the closing of the Audax Transaction, we entered into a management services agreement with an affiliate of the Audax Group pursuant to which said affiliate provided management and consulting services and financial and other advisory services. Pursuant to such agreement, we paid to an affiliate of the Audax Group management fees and expense reimbursements in the amounts of $824,964 in fiscal 2009 and $862,167 in fiscal 2010. Additionally, pursuant to the management services agreement, we paid management fees and expense reimbursement in the amount of $79,142 and a transaction success fee in connection with the CHS Acquisition to an affiliate of the Audax Group in an aggregate amount of $4,715,640 in the one month ended April 30, 2010.

Prior Audax Sale Processes

On the advice of the Audax Group, our then-controlling stockholder, and the Audax Group designees serving on our board of directors, we initiated negotiations with a third party in fiscal 2009 and commenced an auction process in fiscal 2010 to sell Audax's controlling interest in us. Both the fiscal 2009 negotiations and the fiscal 2010 auction process were abandoned by the parties and no definitive purchase agreements were entered into by us or Audax. While we incurred significant legal, financial and other advisory and consulting fees and expenses in connection with both processes, Audax did not receive any fees or other compensation for its role in these processes, except for ordinary management fees and expense reimbursements as described above in "—Audax Management Fee."

The CHS Transactions

On April 30, 2010, Thermon Holdings, LLC and an investor group led by CHS completed the Acquisition. The purchase price was $320.9 million (subject to finalization of a post-closing income tax adjustment and restricted cash payment obligations). The Acquisition purchase price and related expenses were financed with the proceeds from the issuance of $210.0 million in aggregate principal amount of our senior secured notes and a $129.2 million equity investment by the equity investors.

As the controlling equity holder of Thermon Holdings, LLC, the Audax Group would be deemed the beneficial holder of Thermon Holdings, LLC. At closing of the Acquisition, Thermon Holdings, LLC distributed the proceeds received from the Acquisition through cash payments to each of its equity holders with respect to his or her equity interests. In addition, certain equity holders reinvested a portion of their acquisition proceeds in exchange for shares of stock in the Company. The following table sets forth, with respect to each of the directors and executive officers of Thermon Holdings, LLC (and related persons) as of the closing of the Acquisition set forth below, (i) his or her percentage ownership in Thermon Holdings, LLC prior to the Acquisition, (ii) his or her acquisition

proceeds received at closing and (iii) the amount of acquisition proceeds he or she reinvested in our common stock:

Name (Relationship with Thermon Holdings, LLC)	% Total Ownership Pre-Acquisition(1)	Proceeds Received ($)(2)	Reinvestment in Our Common Stock($)(3)
Mark Burdick (Director)	5.3%	$ 9,800,306	$ 2,200,000
Richard L. Burdick (Father of Mark Burdick)	2.1%	$ 3,920,122	$ 739,000
Rodney Bingham (President and Chief Executive Officer, Senior Vice President, Western Hemisphere)	3.2%	$ 7,577,636	$ 2,000,000
George Alexander (Senior Vice President, Eastern Hemisphere)	1.1%	$ 3,712,893	$ 496,000
David Ralph (Senior Vice President, Finance)	1.9%	$ 4,471,504	$ 544,000
Richard Hageman (Senior Vice President, Marketing and Technology)	0.8%	$ 2,356,441	$ 131,000
René van der Salm (Senior Vice President, Operations)	0.6%	$ 1,925,705	$ 816,000
Richard Burdick (Son of Mark Burdick)	0.1%	$ 196,006	$ 133,000
Bridget Alexander (Wife of George Alexander)	0.7%	$ 1,257,497	$ 496,000
The BA 2008 Grantor Retained Annuity Trust (for the benefit of George Alexander)	1.7%	$ 3,064,615	$ 496,000
Bridget Alexander Trust (as successor in interest to the GA 2008 Grantor Retained Annuity Trust) (for the benefit of Bridget Alexander)	1.2%	$ 2,278,446	$ 496,000
Andy Russell (Son-in-law of Richard Hageman)	0.1%	$ 196,008	$ 123,000

(1) Percent ownership is based on the number of Class A Units of Thermon Holdings, LLC owned prior to the Acquisition.

(2) Reflects pre-tax proceeds received at the closing of the Acquisition after deducting all amounts subject to escrow and holdback obligations. Includes the value of the accelerated P Units that vested at the closing of the Acquisition. Excludes the interest in a portion of a $2.4 million distribution from the net working capital escrow on September 9, 2010.

(3) Includes the portion of the proceeds from the vested P Units reinvested into equity of the Company.

In connection with the Acquisition, the P Unit program was cancelled and the outstanding P Units held by Messrs. Bingham, Alexander, Hageman, Ralph and van der Salm vested, entitling them to the right to receive cash consideration per P Unit. In addition, a portion of the proceeds from the vested P Units were reinvested into equity of the Company. Messrs. Hageman, Ralph and van der Salm also received transaction-based bonuses. Please see "Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentives" for more information.

At December 31, 2010, we had estimated remaining income tax adjustment and restricted cash payment obligations in connection with the Acquisition of approximately $4.2 million. On September 9, 2010, we paid $2.4 million to Thermon Holdings, LLC in full satisfaction of the post-closing working capital adjustment. We anticipate that the post-closing income tax adjustment will be finalized by the end of June 2011. We currently estimate that the final adjustment amount will be approximately $2.1 million in favor of Thermon Holdings, LLC. Finally, pursuant to the stock purchase agreement governing the Acquisition, we are required to pay to Thermon Holdings, LLC, within 30 days after each calendar quarter following the closing of the Acquisition, the net amount of cash released to us during such quarterly period that, as of April 30, 2010, had been posted or otherwise used to secure our performance bonds, bank guarantees, letters of credit or similar obligations. On July 30, 2010,

October 29, 2010 and January 20, 2011, we made restricted cash payments in the amounts of $48,499, $301,549 and $115,577, respectively, to Thermon Holdings, LLC for the quarters ended June 30, 2010, September 30, 2010 and December 31, 2010, respectively, and we currently estimate the aggregate amount of the remaining restricted cash payments will be approximately $1.6 million. We believe that any amount paid to Thermon Holdings, LLC in respect of the post-closing working capital and income tax adjustments or restricted cash payment obligation will be subsequently distributed on a pro rata basis to the equity holders of Thermon Holdings, LLC, including the individuals or entities listed in the above table.

Agreements with Management

Concurrently with the closing of the Acquisition, Mr. Bingham and Mr. Alexander entered into employment agreements with the Company. See "Compensation Discussion and Analysis—Employment-Related Agreements" for more information regarding these employment agreements.

Effective as of July 31, 2010, Mr. Peterson entered into an employment agreement with the Company. See "Compensation Discussion and Analysis—Employment-Related Agreements" for more information regarding Mr. Peterson's employment agreement.

In connection with this offering, we will enter into indemnification agreements with each of our directors and certain officers, including all of our named executive officers. The indemnification agreements and indemnification provisions included in our second amended and restated certificate of incorporation and amended and restated bylaws, to be effective upon the consummation of this offering, will require us to indemnify our directors and officers to the fullest extent permitted by Delaware law. For further information, see "Management—Indemnification of directors and officers."

Stock Options

Certain stock option grants to our named executive officers and certain other employees are described in "Compensation Discussion and Analysis—Elements of Our Compensation Program—Long-Term Incentives" and "Compensation Discussion and Analysis—2011 Long-Term Incentive Plan." Certain stock option grants to our non-employee directors who are not affiliated with our sponsors are described in "Management—Compensation of directors."

Securityholder Agreement

The sponsors and our other existing equity holders are parties to an amended and restated securityholder agreement, which we refer to as the Securityholder Agreement, which sets forth certain significant provisions that will survive the consummation of this offering relating to, among other things, our board of directors, open market transfer restrictions, drag-along rights and registration rights.

Board of Directors. The Securityholder Agreement provides that each of the parties thereto will vote its shares of our common stock and take all other necessary actions to cause our board of directors to include: (i) so long as CHS owns, in the aggregate, capital stock representing 5% or more of the outstanding shares of our common stock, one director designated by CHS and (ii) until the earlier of the first anniversary of the listing date of our common stock with the NYSE and the date on which TSCP owns, in the aggregate, capital stock representing less than 5% of the outstanding shares of our common stock, one director designated by TSCP. CHS and TSCP have the right to remove at any time, and to fill any vacancy arising from time to time with respect to, their respective designated directors. TSCP has agreed to remove its designated director from our board of directors prior to the first anniversary of the listing date of our common stock with the NYSE. In addition, the Securityholder Agreement provides that CHS may, for so long as it owns, in the aggregate, capital

stock representing 5% or more of the outstanding shares of our common stock, designate a non-voting observer reasonably acceptable to us to attend any meetings of our board of directors.

Transfer Restrictions. The Securityholder Agreement places certain restrictions on the transfer of our securities in the open market by current and former employee stockholders. See "Shares Available for Future Sale—Lock-up Agreements." Furthermore, each securityholder has agreed not to transfer any securities during the 180-day lock up period described in "Underwriting."

Drag-Along Rights. In the event that CHS approves a sale of the Company (whether by merger, sale of shares of common stock, sale of substantially all of the assets of the Company and our subsidiaries, or otherwise), all other securityholders must, upon CHS' request, sell in such transaction the same percentage of their respective shares of common stock as CHS proposes to sell.

Registration Rights

Demand registration rights. At any time following the consummation of this offering, the holders of at least a majority of the shares of our common stock that were originally issued to or transferred to CHS (other than those shares to be sold by CHS in this offering) may, subject to certain exceptions and conditions, demand registration of part or all of such shares under the Securities Act. Such securityholders shall be entitled to request an unlimited number of demand registrations and to select the managing underwriter for any public offering pursuant to such a demand registration, subject to our reasonable approval; provided, however, that such a registration may not be demanded during the six-month period immediately following the effective date of any long-form registration statement. We may, but not more than once in any 365-day period, defer such a registration for up to six months if it is advised by its counsel that that undertaking such registration would accelerate the disclosure of a material development involving us and we determine in good faith that such disclosure is not in our best interests. Notwithstanding the above, each securityholder that would be entitled to such registration rights has agreed not to exercise such right until the expiration of the 180-day lock-up period described in "Underwriting."

Piggyback registration rights. If, at any time, we determine (or are required as a result of a demand registration) to file a registration statement with the SEC covering any shares of our common stock, other than shares of common stock or other securities that are issuable in an offering to our officers or employees pursuant to an employee benefit plan or in connection with the acquisition of a business, each securityholder will have the right to request that we include their shares of common stock in any such registration statement, subject to specified limitations.

Cutback. In connection with the above demand and piggyback registrations, the managing underwriters may limit, including entirely, the number of shares offered for marketing reasons. In such case, the shares to be included in the registration shall be prioritized in accordance with the terms of the Securityholder Agreement.

Expenses. We are required to pay the expenses associated with preparing and filing any registration statement in connection with the above demand and piggyback registrations, other than any underwriting discounts and commissions applicable to the sale of shares.

Manager Equity Agreements and Co-Investor Agreement

We and CHS have entered into manager equity agreements with each of our current and former members of management and key employees who made equity investments in us in connection with the CHS Transactions, whom we collectively refer to as the management investors, which agreements set forth additional provisions relating to the ownership of our securities. Pursuant to the manager equity agreements, each management investor will maintain the confidentiality of our confidential or proprietary information obtained as a result of such management investor's employment and is subject

to non-competition and non-solicitation covenants during employment and for a period of two years thereafter. Following the consummation of the offering, upon the termination of a management investor's employment for cause, we will have the option to repurchase any of such management investor's securities at the lower of cost or the fair market value (as determined in good faith by our board of directors) of such securities. Rodney Bingham, George P. Alexander, René van der Salm, David P. Ralph and Richard Hageman are among the management investors who are party to manager equity agreements.

Transaction Fee and Management Fee

Immediately following the closing of the Acquisition, our wholly owned subsidiary, Thermon Group, Inc., and CHS executed a closing fee agreement, pursuant to which CHS received an aggregate fee of $5.6 million, plus out of pocket expenses incurred in connection with the Acquisition. Upon closing of the Acquisition, we entered into a management services agreement with the sponsors pursuant to which they have agreed to provide us with management, consulting, financial and other advisory services. Pursuant to such agreement, the sponsors will receive an annual management fee of $2.0 million, in the aggregate, and reimbursement of out of pocket expenses incurred in connection with the provision of such services. At the closing of the Acquisition, TSCP was paid $1.0 million as prepayment for the annual management fee payable for the first two years and three months. Pursuant to such agreement, during fiscal 2011, we paid management fees and expense reimbursements of $1.2 million, $252,000 and $13,000 to CHS, Crown and Star Investment Series LLC—Series 1, respectively, and an expense reimbursement of $13,000 to TSCP in addition to its prepaid management fee. The management services agreement includes customary indemnification provisions in favor of the sponsors.

In connection with this offering, we intend to enter into an agreement with the sponsors to terminate the management and consulting services provided under the management services agreement and to eliminate our obligation to pay any management fees going forward. Pursuant to the terms of such termination agreement, we will pay a one-time cash termination fee in the aggregate amount of $7,356,757 (of which $5,032,570 will be paid to CHS, $1,159,936 will be paid to TSCP, $1,107,906 will be paid to Crown and $56,345 will be paid to Star Investment Series LLC—Series 1). Our obligations with respect to the indemnification of the sponsors or their respective affiliates and reimbursement of their expenses will not be affected by such termination. We expect to finance the payment of the termination and advisory fees from available cash on hand.

Corporate Opportunity

See "Description of Capital Stock—Anti-Takeover Effects of Provisions of Our Second Amended and Restated Certificate of Incorporation, Our Amended and Restated Bylaws and Delaware Law—Corporate Opportunity."

Review and Approval of Transactions with Related Persons

We have adopted a Statement of Policy Regarding Transactions with Related Parties, which requires that each director and executive officer promptly advise the chairman of the audit committee of any Related Person Transaction, as defined therein, of which he or she becomes aware in which we are to be a participant, the amount involved exceeds $120,000 and the applicable Related Person had or will have a direct or indirect material interest, and all material facts with respect thereto. The audit committee (or, if determined by the audit committee as advisable, the disinterested members of our board of directors) shall then consider such Related Person Transaction for approval or ratification.

In considering whether to approve or ratify any Related Person Transaction, the audit committee or the disinterested members of our board of directors, as the case may be, shall consider all factors that are relevant to the Related Person Transaction, including, without limitation, the following:

- the size of the transaction and the amount payable to a Related Person;
- the nature of the interest of the Related Person in the transaction;
- whether the transaction may involve a conflict of interest; and
- whether the transaction involves the provision of goods or services to the Company that are available from unaffiliated third parties and, if so, whether the transaction is on terms and made under circumstances that are at least as favorable to the Company as would be available in comparable transactions with or involving unaffiliated third parties.

No Related Person Transaction will be consummated without the approval or ratification of the audit committee or the disinterested members of the board of directors as described above. It will be our policy that no director shall participate in any discussion or approval of a Related Person Transaction for which he or she is a Related Person.

DESCRIPTION OF CAPITAL STOCK

On March 31, 2011, we filed an amendment to our amended and restated certificate of incorporation providing for the increase in our authorized capital stock for purposes of the March 31, 2011 stock split and for the automatic conversion our common stock into one class of voting stock immediately prior to the consummation of this offering. Immediately prior to the consummation of this offering, we will adopt our second amended and restated certificate of incorporation, after which our authorized capital stock will consist of 150,000,000 shares of common stock, $0.001 par value per share, of which 24,933,407 shares will be issued and outstanding, and 10,000,000 shares of preferred stock, $0.001 par value per share, of which no shares will be issued and outstanding. Immediately following consummation of this offering, we expect that there will be 28,933,407 shares of common stock issued and outstanding and no shares of preferred stock outstanding. As of December 31, 2010, there were 82 holders of record of our common stock.

The following description of our capital stock is intended as a summary only and is qualified in its entirety by reference to our second amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the consummation of this offering and which will be filed as exhibits to the registration statement, of which this prospectus forms a part, and to the applicable provisions of the DGCL. The descriptions of our common stock reflect changes to our capital structure that will become effective immediately prior to the consummation of this offering.

Common Stock

Shares of our common stock have the following rights, preferences and privileges:

- *Voting Rights.* Each outstanding share of common stock entitles its holder to one vote on all matters submitted to a vote of our stockholders, including the election of directors. There are no cumulative voting rights. Generally, all matters to be voted on by stockholders must be approved by a majority of the votes cast by the shares of common stock present in person or represented by proxy and entitled to vote.

- *Dividends.* Subject to the rights of the holders of any preferred stock which may be outstanding from time to time, the holders of common stock are entitled to receive dividends as, when and if dividends are declared by our board of directors out of assets legally available for the payment of dividends. We currently intend to retain earnings to finance the growth and development of our business and for working capital and general corporate purposes. In any event, any determination to pay dividends will be at the discretion of our board of directors and will be dependent upon our results of operations and cash flows, our financial position and capital requirements, general business conditions, legal, tax, regulatory and any contractual restrictions on the payment of dividends, including the restrictions contained in the agreements governing our outstanding indebtedness and any other factors our board of directors deems relevant.

- *Liquidation.* In the event of a liquidation, dissolution or winding up of our affairs, whether voluntary or involuntary, after payment of our liabilities and obligations to creditors and any holders of preferred stock, our remaining assets will be distributed ratably among the holders of shares of common stock on a per share basis.

- *Rights and Preferences.* Our common stock has no preemptive, redemption, conversion or subscription rights. The rights, powers, preferences and privileges of holders of our common stock are subject to, and may be adversely affected by, the rights of the holders of shares of any series of preferred stock that we may designate and issue in the future.

- *Merger.* In the event we merge or consolidate with or into another entity, holders of each share of common stock will be entitled to receive the same per share consideration.

Our common stock has been approved for listing on the NYSE under the symbol "THR."

Preferred Stock

Our second amended and restated certificate of incorporation provides that the board of directors has the authority, without action by the stockholders, to designate and issue up to 10,000,000 shares of preferred stock in one or more classes or series and to fix for each class or series the powers, rights, preferences and privileges of each series of preferred stock, including dividend rights, conversion rights, voting rights, terms of redemption, liquidation preferences and the number of shares constituting any class or series, which may be greater than the rights of the holders of the common stock. There will be no shares of preferred stock outstanding immediately after the closing of this offering. Any issuance of shares of preferred stock could adversely affect the voting power of holders of common stock, and the likelihood that the holders will receive dividend payments and payments upon liquidation could have the effect of delaying, deferring or preventing a change in control. We have no present plans to issue any shares of preferred stock.

Anti-Takeover Effects of Provisions of Our Second Amended and Restated Certificate of Incorporation, Our Amended and Restated Bylaws and Delaware Law

Some provisions of Delaware law and our second amended and restated certificate of incorporation and our amended and restated bylaws, as will be in effect upon consummation of this offering, contain provisions that could have the effect of delaying, deterring or preventing another party from acquiring or seeking to acquire control of us. These provisions are intended to discourage certain types of coercive takeover practices and inadequate takeover bids and to encourage anyone seeking to acquire control of us to negotiate first with our board of directors. However, these provisions may also delay, deter or prevent a change in control or other takeover of our company that our stockholders might consider to be in their best interests, including transactions that might result in a premium being paid over the market price of our common stock and also may limit the price that investors are willing to pay in the future for our common stock. These provisions may also have the effect of preventing changes in our management.

Certificate of Incorporation and Bylaws

Our second amended and restated certificate of incorporation and amended and restated bylaws include anti-takeover provisions that:

- authorize our board of directors, without further action by the stockholders, to issue up to 10,000,000 shares of preferred stock in one or more series, and with respect to each series, to fix the number of shares constituting that series and establish the rights and other terms of that series;

- require that actions to be taken by our stockholders may be taken only at an annual or special meeting of our stockholders and not by written consent;

- specify that special meetings of our stockholders can be called only by our board of directors, the chairman of our board of directors, our chief executive officer or our president;

- establish advance notice procedures for stockholders to submit nominations of candidates for election to our board of directors and other proposals to be brought before a stockholders meeting;

- provide that our amended and restated bylaws may be amended by our board of directors without stockholder approval;

- allow our directors to establish the size of the board of directors by action of the board, subject to a minimum of three members;
- provide that vacancies on our board of directors or newly created directorships resulting from an increase in the number of our directors may be filled only by a majority of directors then in office, even though less than a quorum;
- do not give the holders of our common stock cumulative voting rights with respect to the election of directors; and
- prohibit us from engaging in certain business combinations with any "interested stockholder" (as defined below) unless specified conditions are satisfied as described below under "—Business Combinations."

Business Combinations

We have opted out of Section 203 of the DGCL, which regulates corporate takeovers. However, our second amended and restated certificate of incorporation contains provisions that are similar to Section 203 of the DGCL. Specifically, our second amended and restated certificate of incorporation provides that we may not engage in certain "business combinations" with any "interested stockholder" for a three-year period following the time that the person became an interested stockholder, unless:

- prior to the time that person became an interested stockholder, our board of directors approved either the business combination or the transaction which resulted in the person becoming an interested stockholder;
- upon consummation of the transaction which resulted in the person becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding certain shares; or
- at or subsequent to the time the person became an interested stockholder, the business combination is approved by the board of directors and by the affirmative vote of at least $66^2/3$% of the outstanding voting stock which is not owned by the interested stockholder.

Generally, a business combination includes a merger, consolidation, asset or stock sale or other transaction resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an interested stockholder is a person who, together with that person's affiliates and associates, owns, or within the previous three years owned, 15% or more of our voting stock. However, in the case of our company, the sponsors and any of their respective permitted transferees receiving 15% or more of our voting stock, such stockholders will not be deemed to be interested stockholders regardless of the percentage of our voting stock owned by them. The statute could prohibit or delay mergers or other takeover or change in control attempts with respect to us and, accordingly, may discourage attempts to acquire us.

Corporate Opportunity

Our second amended and restated certificate of incorporation provides that we renounce any interest or expectancy in, or in being offered an opportunity to participate in, any business opportunity that may be from time to time presented to the sponsors or any of their respective affiliates (other than us and our subsidiaries), subsidiaries, officers, directors, agents, stockholders, members, partners and employees and that may be a business opportunity for such sponsor, even if the opportunity is one that we or our subsidiaries might reasonably have pursued or had the ability or desire to pursue if granted the opportunity to do so. No such person will be liable to us for breach of any fiduciary or other duty, as a director or officer or otherwise, by reason of the fact that such person, acting in good faith, pursues or acquires any such business opportunity, directs any such business opportunity to another

person or fails to present any such business opportunity, or information regarding any such business opportunity, to us unless, in the case of any such person who is our director or officer, any such business opportunity is expressly offered to such director or officer solely in his or her capacity as our director or officer. None of the sponsors has any duty to refrain from engaging directly or indirectly in the same or similar business activities or lines of business as us or any of our subsidiaries.

These provisions will continue to apply with respect to a particular sponsor until the date on which no person who is our director or officer is also a director, officer, member, partner or employee of such sponsor or its affiliates (other than us and our subsidiaries).

Limitations on Liability and Indemnification of Officers and Directors

Our second amended and restated certificate of incorporation and amended and restated by-laws limit the liability of our directors to the fullest extent permitted by the DGCL and provide that we will indemnify our officers and directors to the fullest extent permitted by this law. We also intend to maintain director and officer liability insurance, if available on reasonable terms.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC, located at 59 Maiden Lane, New York, NY 10038.

SHARES AVAILABLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock and we cannot assure you that a significant market for our common stock will develop or be sustained after this offering. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, including upon the exercise of outstanding stock options, could adversely affect the trading price of our common stock from time to time. As described below, only a limited number of shares will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Nevertheless, sales of substantial amounts of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the trading price of our common stock and our ability to raise equity-related capital at a time and price we deem appropriate.

Sales of Restricted Securities

Upon the closing of this offering, we will have outstanding 28,933,407 shares of common stock, based on the number of shares outstanding at December 31, 2010. Of those shares, the 10,000,000 shares sold by us and the selling stockholders in this offering, including any shares sold upon exercise of the underwriters' option to purchase additional shares, will be freely tradable without restriction under the Securities Act (unless purchased by an "affiliate", as that term is defined in Rule 144 under the Securities Act, in which case such affiliate will be subject to the restrictions imposed by Rule 144). All remaining shares of common stock held by existing stockholders, and any shares of our common stock purchased by affiliates in this offering pursuant to the directed share program described below under "Underwriting—Directed Share Program," will be subject to the restrictions imposed by Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if registered under the Securities Act or if they qualify for an exemption from registration under Rules 144 or 701 under the Securities Act, which rules are summarized below, or another exemption. Under the lock-up agreements described below and the provisions of Rule 144 and Rule 701 under the Securities Act, these restricted securities will be available for sale in the public market as follows:

Number of Shares and % of Total Outstanding	Date Available for Sale Into Public Market
0 shares or 0%	On the date of this prospectus
0 shares or 0%	Up to and including 180 days after the date of this prospectus
18,933,407 shares or 65%	More than 180 days after the date of this prospectus, of which 13,845,384, or 48%, are subject to volume, manner of sale and other limitations under Rule 144, and of which 2,360,412 shares (including 971,918 shares which are also subject to volume, manner of sale and other limitations under Rule 144), or 9%, are subject to the restrictions on open market transfers pursuant to the terms of our Securityholder Agreement (as described below under "—Lock-up Agreements")

In addition, 2,757,524 shares of common stock will be eligible for sale upon exercise of vested options 180 days following the date of this prospectus, subject to extension as described under "Underwriting."

Lock-up Agreements

Our officers, directors, other stockholders, including the selling stockholders, holders of vested stock options, and participants in the directed share program described below, collectively representing

24,933,407 shares of our common stock, will be subject to lock-up agreements with the underwriters that will restrict the sale of the shares of our common stock held by them for 180 days, subject to certain exceptions, including the shares of common stock being sold in this offering. See "Underwriting" for a description of these lock-up agreements.

In addition, pursuant to the terms of the Securityholder Agreement, the management investors owning, in the aggregate, 2,630,412 shares of our common stock have agreed to limit their sales of our common stock in the open market following the expiration of the 180 day lock-up period described above. This limitation applies to any calendar quarter during which we are subject to a standstill agreement with the underwriters that permits the transfer of our shares, and to each calendar quarter thereafter. A standstill agreement is an agreement we enter into in connection with any public offering or other public sale of our common stock that limits our right to offer or sell our common stock except in such offering or sale. The provisions of the Securityholder Agreement effectively limit the aggregate number of shares of our common stock that may be sold during each calendar quarter following the expiration of the 180 day lock-up period described above by each management investor as follows: (a) if the underwriters exercise their option to purchase additional shares of our common stock to cover over-allotments and all management investors who have validly requested to sell shares in the over-allotment option are able to sell all such shares so requested, then each management investor will be able to sell up to 12.5% of the shares of common stock held by such management investor (taking into account any vested options) immediately following the exercise of the over-allotment option; and (b) if the underwriters do not exercise, or exercise only in part, the over-allotment option and all management investors who have validly requested to sell shares in the over-allotment option are unable to sell all such shares so requested, then each management investor will be able to sell up to 25% of the shares of common stock held by such management investor (taking into account any vested options) immediately following the exercise or expiration, as applicable, of the over-allotment option. These limitations will cease to apply when CHS no longer owns 10% or more of the outstanding shares of our common stock.

Rule 144

In general, under Rule 144, a person who is not our affiliate and has not been our affiliate at any time during the preceding three months will be entitled to sell any shares of our common stock that such person has beneficially owned for at least six months, including the holding period of any prior owner other than one of our affiliates, without regard to volume limitations. Sales of our common stock by any such person would be subject to the availability of current public information about us if the shares to be sold were beneficially owned by such person for less than one year.

No shares of our common stock will be eligible for sale under Rule 144 immediately upon the closing of this offering.

Our affiliates who have beneficially owned shares of our common stock for at least six months, including the holding period of any prior owner other than one of our affiliates, would be entitled to sell within any three-month period a number of shares that does not exceed the greater of:

- 1% of the number of shares of our common stock then outstanding, which will equal 289,334 shares immediately after this offering; and
- the average weekly trading volume in our common stock on the NYSE during the four calendar weeks preceding the date of filing of a Notice of Proposed Sale of Securities Pursuant to Rule 144 with respect to the sale.

Sales under Rule 144 by our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

In general, subject to the lock-up agreements discussed above, under Rule 701 of the Securities Act, any of our employees, consultants or advisors who purchased shares from us in connection with a qualified compensatory stock plan or other written agreement is eligible to resell these shares in compliance with the manner of sale provisions of Rule 144, but without compliance with the other restrictions, including the availability of public information about us, holding period and volume limitations, in Rule 144.

Stock Options

As of the date of this prospectus, we had outstanding options to purchase 2,757,524 shares of common stock under the 2010 Equity Plan, none of which were vested. Pursuant to the terms of the 2010 Equity Plan, all outstanding options to purchase shares of our common stock shall vest and become exercisable immediately prior to the consummation of this offering.

Following this offering, we intend to file a registration statement on Form S-8 under the Securities Act to register all of the shares of common stock subject to outstanding options under the 2010 Equity Plan as well as all shares of our common stock that may be covered by additional options and other awards granted under the LTIP. Please see "Compensation Discussion and Analysis—2011 Long-Term Incentive Plan" for additional information regarding the LTIP. Shares of our common stock issued under the S-8 registration statement will be available for sale in the public market, subject to the Rule 144 provisions applicable to affiliates, and subject to any vesting restrictions and lock-up agreements applicable to these shares.

Registration Rights

Following this offering and the sale by the selling stockholders of the shares offered by them hereby, the holders of at least a majority of the shares of common stock held by or originally issued to or transferred to CHS (other than those shares to be sold by CHS in this offering) shall have the right, pursuant to the terms of the Securityholder Agreement, subject to certain exceptions and conditions set forth therein, to demand registration of up to 9,556,793 shares under the Securities Act. Any such demand must be provided to us in writing and specify the number of shares of our common stock requested to be registered and the anticipated per share price for such offering. Such demanding stockholders shall be entitled to request an unlimited number of demand registrations and to select the managing underwriter for any public offering pursuant to such a demand registration, subject to our reasonable approval; provided, however, that such a registration may not be demanded during the six-month period immediately following the effective date of any long-form registration statement. We may, but not more than once in any 365-day period, defer such a registration for up to six months if it is advised by its counsel that that undertaking such registration would accelerate the disclosure of a material development involving us and we determine in good faith that such disclosure is not in our best interests. The existing holders of up to 9,376,614 shares of our common stock will also have the right to participate in future registrations of securities by us. Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See "Certain Relationships and Related Party Transactions—Securityholder Agreement."

MATERIAL U.S. FEDERAL INCOME TAX CONSIDERATIONS FOR NON-U.S. STOCKHOLDERS

The following is a general discussion of the material U.S. federal income tax consequences of the purchase, ownership and disposition of shares of our common stock by a Non-U.S. Stockholder. For purposes of this discussion, a Non-U.S. Stockholder is a beneficial owner of our common stock that is treated for U.S. federal tax purposes as:

- a non-resident alien individual;
- a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized under the laws of a jurisdiction other than the United States or any state or political subdivision thereof;
- an estate, other than an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, other than a trust (i) the administration of which is subject to the primary supervision of a court within the United States and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust, or (ii) that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a United States person.

This discussion does not address the tax consequences to partnerships or other pass-through entities or persons investing through such partnerships or entities. If a partnership (or any other entity treated as a partnership for U.S. federal income tax purposes) holds our common stock, the tax treatment of a partner in such partnership will generally depend on the status of the partner and the activities of the partnership. Such a partner should consult its own tax advisors as to the U.S. federal income tax consequences of being a partner in a partnership that purchases, owns or disposes of our common stock.

This summary assumes that our common stock is held as a capital asset for U.S. federal income tax purposes (generally, property held for investment). This discussion is of a general nature and thus does not address all of the U.S. federal income tax considerations that might be relevant to a Non-U.S. Stockholder in light of its particular circumstances or to a Non-U.S. Stockholder subject to special treatment under U.S. federal tax laws (including financial institutions, insurance companies, real estate investment trusts, regulated investment companies, grantor trusts, dealers or traders in securities or currencies or notional principal contracts, tax-exempt entities, certain former citizens or long-term residents of the United States, persons that will hold shares as part of a "hedging" or "conversion" transaction or as a position in a "straddle" or as part of "synthetic security" or other integrated transaction for U.S. federal income tax purposes, "controlled foreign corporations" and "passive foreign investment companies"). Furthermore, this summary does not discuss any aspects of U.S. federal estate or gift taxation, and does not describe any state, local or non-U.S. taxation. This summary is based on current provisions of the U.S. Internal Revenue Code of 1986, as amended, which we refer to as the Code, U.S. Treasury regulations, judicial opinions, published positions of the Internal Revenue Service, which refer to as the IRS, and other applicable authorities, all of which are subject to change, possibly with retroactive effect. Each prospective purchaser of our common stock is advised to consult its tax advisor with respect to the U.S. federal, state, local and non-U.S. tax consequences of purchasing, owning and disposing of our common stock. No assurance exists that the IRS will not challenge any of the tax consequences described herein, and we have not obtained, nor do we intend to obtain, an opinion of counsel with respect to the U.S. federal income tax consequences to a Non-U.S. Stockholder of purchasing, owning and disposing of our common stock.

PROSPECTIVE INVESTORS CONSIDERING THE PURCHASE OF OUR COMMON STOCK SHOULD CONSULT THEIR TAX ADVISORS CONCERNING THE APPLICATION OF UNITED STATES FEDERAL TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY

CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION AND ANY APPLICABLE TAX TREATY.

Distributions

If we make distributions on our common stock, the distributions will be dividends for U.S. federal income tax purposes to the extent paid from current or accumulated earnings and profits as determined under U.S. federal income tax principles. To the extent distributions exceed our current and accumulated earnings and profits, they will constitute a return of capital that will first reduce your basis, but not below zero, and then will be treated as gain on sale of stock (as discussed further below).

Any dividend paid to a Non-U.S. Stockholder with respect to our common stock generally will be subject to withholding tax at a 30% rate (or such lower rate specified by an applicable income tax treaty). Generally, a Non-U.S. Stockholder must certify as to its eligibility for reduced withholding under an applicable income tax treaty on a properly completed IRS Form W-8BEN in order to obtain the benefits of such treaty. A Non-U.S. Stockholder that does not timely provide us with the required certification, but which qualifies for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. Stockholders should consult their tax advisors regarding possible entitlement to benefits under a tax treaty.

If, however, the Non-U.S. Stockholder provides a valid IRS Form W-8ECI, certifying that the dividend is effectively connected with the Non-U.S. Stockholder's conduct of a trade or business within the United States, and otherwise complies with applicable certification requirements, the dividend will not be subject to withholding. Instead, such dividend will be subject to U.S. federal income tax in the manner described below under "—Effectively Connected Income."

Sale, Exchange or Other Taxable Disposition of Our Common Stock

Except as otherwise discussed below, a Non-U.S. Stockholder generally will not be subject to U.S. federal income tax on any gain realized upon the sale, exchange or other taxable disposition of our common stock unless (i) such gain is effectively connected with the Non-U.S. Stockholder's conduct of a U.S. trade or business (or, if an income tax treaty applies, the gain is attributable to a U.S. permanent establishment or fixed base maintained by such Non-U.S. Stockholder in the United States), (ii) the Non-U.S. Stockholder is an individual who is present in the United States for a period or periods aggregating 183 days or more during the calendar year in which such sale, exchange or other taxable disposition occurs and certain other conditions are met, or (iii) we are or become a "United States real property holding corporation", or USRPHC, for U.S. federal income tax purposes and certain other conditions are met. Generally, a corporation is a USRPHC if the fair market value of its "U.S. real property interests" equals or exceeds 50% of the sum of the fair market value of its worldwide real property interests plus its other assets used or held for use in a trade or business. We do not believe that we are or will become a USRPHC, however, there can be no assurance in that regard.

Gain described in clause (i) immediately above will be subject to U.S. federal income tax in the manner described below under "—Effectively Connected Income." During each taxable year, a Non-U.S. Stockholder described in clause (ii) immediately above will be subject to tax at a 30% rate (or such lower rate specified by an applicable income tax treaty) on the net gain derived from the sale, exchange or other taxable disposition, which may be offset by U.S.-source capital losses of the Non-U.S. Stockholder during the taxable year.

Effectively Connected Income

Any dividend with respect to, or gain recognized upon the sale, exchange or other taxable disposition of, our common stock that is effectively connected with a trade or business carried on by a

Non-U.S. Stockholder within the United States (or, if an income tax treaty applies, that is attributable to a permanent establishment or fixed base maintained by such Non-U.S. Stockholder in the United States) will be subject to U.S. federal income tax, based on the Non-U.S. Stockholder's net income, in the same manner as if the Non-U.S. Stockholder were a United States person for U.S. federal income tax purposes. If a dividend or gain is effectively connected with a U.S. trade or business of a Non-U.S. Stockholder that is a corporation for U.S. federal income tax purposes, such corporate Non-U.S. Stockholder may be subject to a "branch profits tax" at a 30% rate (or such lower rate as may be specified by an applicable income tax treaty), subject to certain adjustments. Non-U.S. Stockholders should consult their tax advisors regarding any applicable tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Annual reporting to the IRS and to each Non-U.S. Stockholder will be required as to the amount of dividends paid to such Non-U.S. Stockholder and the amount, if any, of tax withheld with respect to such dividends, unless the Non-U.S. Stockholder is an exempt recipient or otherwise establishes an exemption from such requirements. This information may also be made available to the tax authorities in the Non-U.S. Stockholder's country of residence. Dividends generally are not subject to "backup withholding" if the Non-U.S. Stockholder properly certifies as to its non-U.S. status (usually by completing an IRS Form W-8BEN, including any claim to reduced withholding under an applicable income tax treaty).

The payment of the proceeds of the sale, exchange or other disposition of our common stock to or through the U.S. office of a broker will be subject to both backup withholding and information reporting unless the Non-U.S. Stockholder certifies its non-U.S. status on IRS Form W-8BEN, or otherwise establishes an exemption. Information reporting requirements, but not backup withholding, will also generally apply to payments of the proceeds of a sale, exchange or other disposition of our common stock by Non-U.S. offices of U.S. brokers or Non-U.S. brokers with certain types of relationships to the United States unless the Non-U.S. Stockholder establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from payments made to a Non-U.S. Stockholder may be refunded or credited against such Non-U.S. Stockholder's U.S. federal income tax liability, if any, provided that the required information is furnished to the IRS.

Withholding on Payments to Foreign Financial Entities and Other Foreign Entities

Beginning with payments made after December 31, 2012, recently enacted legislation will generally impose a 30% withholding tax on U.S. source dividends and gross proceeds from the sale or other disposition of stock or property that is capable of producing U.S. source dividends paid to (i) a foreign financial institution (as defined in Section 1471(d)(4) of the Code) unless the foreign financial institution enters into an agreement with the U.S. Treasury Department to collect and disclose information regarding its U.S. account holders (including certain account holders that are foreign entities that have U.S. owners) and satisfies certain other requirements, and (ii) certain other non-U.S. entities unless the entity provides the payor with information regarding certain direct and indirect U.S. owners of the entity, or certifies that it has no such U.S. owners, and complies with certain other requirements. Under certain circumstances, a Non-U.S. Stockholder might be eligible for refunds or credits of the tax. Non-U.S. Stockholders should consult their tax advisors regarding the possible implications of this legislation on their investment in our common stock.

UNDERWRITING

Barclays Capital Inc. and Jefferies & Company, Inc. are acting as representatives of the underwriters and joint book-running managers of this offering. Under the terms of an underwriting agreement, which will be filed as an exhibit to the registration statement of which this prospectus is a part, each of the underwriters named below has severally agreed to purchase from us and the selling stockholders the respective number of shares of common stock shown opposite its name below:

Underwriters	Number of Shares
Barclays Capital Inc.	
Jefferies & Company, Inc	
William Blair & Company, L.L.C.	
BMO Capital Markets Corp.	
KeyBanc Capital Markets Inc.	
Total	10,000,000

The underwriting agreement provides that the underwriters' obligation to purchase shares of common stock depends on the satisfaction of the conditions contained in the underwriting agreement including:

- the obligation to purchase all of the shares of common stock offered hereby (other than those shares of common stock covered by their option to purchase additional shares as described below), if any of the shares are purchased;
- the representations and warranties made by us and the selling stockholders to the underwriters are true;
- there is no material change in our business or the financial markets; and
- we deliver customary closing documents to the underwriters.

Commissions and Expenses

The following table summarizes the underwriting discounts and commissions we and the selling stockholders will pay to the underwriters. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares. The underwriting fee is the difference between the initial price to the public and the amount the underwriters pay to us and the selling stockholders for the shares.

	Paid for by Thermon		Paid for by the Selling Stockholders	
	No Exercise	Exercise	No Exercise	Exercise
Per share				
Total				

The representatives of the underwriters have advised us that the underwriters propose to offer the shares of common stock directly to the public at the public offering price on the cover of this prospectus and to selected dealers, which may include the underwriters, at such offering price less a selling concession not in excess of $ per share. After the offering, the representatives may change the offering price and other selling terms. Sales of shares made outside of the United States may be made by affiliates of the underwriters.

The expenses of the offering that are payable by us are estimated to be $2.5 million (excluding the underwriting discounts and commissions). We have agreed to pay expenses incurred by the selling stockholders in connection with the offering, other than the underwriting discounts and commissions.

Option to Purchase Additional Shares

We and certain of the selling stockholders have granted the underwriters an option exercisable for 30 days after the date of the underwriting agreement, to purchase, from time to time, in whole or in part, up to an aggregate of 1,500,000 shares at the public offering price less the underwriting discounts and commissions. This option may be exercised if the underwriters sell more than 10,000,000 shares in connection with this offering. To the extent that this option is exercised, each underwriter will be obligated, subject to certain conditions, to purchase its pro rata portion of these additional shares based on the underwriter's underwriting commitment in the offering as indicated in the table at the beginning of this Underwriting section. To the extent this option is exercised in part, the underwriters are obligated to purchase first up to 74,902 shares from the selling stockholders (on a pro rata basis based on the maximum number of shares to be sold by each selling stockholder participating in the over-allotment option) and second up to 1,425,098 shares from us.

Lock-Up Agreements

We, all of our directors and executive officers, holders of all our outstanding stock and vested options, and the selling stockholders have agreed that, without the prior written consent of each of Barclays Capital Inc. and Jefferies & Company, Inc., we and they will not directly or indirectly, (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could reasonably be expected to, result in the disposition by any person at any time in the future of) any shares of common stock (including, without limitation, shares of common stock that may be deemed to be beneficially owned by us or them in accordance with the rules and regulations of the SEC and shares of common stock that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for common stock, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic consequences of ownership of the common stock (other than in connection with this offering), (3) make any demand for or exercise any right or file or cause to be filed a registration statement, including any amendments thereto, with respect to the registration of any shares of common stock or securities convertible, exercisable or exchangeable into common stock or any of our other securities, or (4) publicly disclose the intention to do any of the foregoing, in each case for a period of 180 days after the date of this prospectus. The foregoing restrictions do not apply to (i) bona fide gifts and certain transfers to affiliates and family members, (ii) transfers by will or intestacy, (iii) the exercise of outstanding options, (iv) transactions relating to shares of our common stock or other securities of the Company acquired in open market transactions, block purchases or pursuant to a public offering, (vi) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act or (vii) the sale of shares of our common stock to the underwriters pursuant to the terms of the underwriting agreement, provided that, in the case of each of the foregoing clauses (i) and (ii), the transferee agrees to be subject to the same restrictions.

The 180-day restricted period described in the preceding paragraph will be extended if:

- during the last 17 days of the 180-day restricted period we issue an earnings release or material news or a material event relating to us occurs; or

- prior to the expiration of the 180-day restricted period, we announce that we will release earnings results during the 16-day period beginning on the last day of the 180-day period,

in which case the restrictions described in the preceding paragraph will continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or occurrence of a material event, unless such extension is waived in writing by Barclays Capital Inc. and Jefferies & Company, Inc.

Barclays Capital Inc. and Jefferies & Company, Inc., in their sole discretion, may release the common stock and other securities subject to the lock-up agreements described above in whole or in part at any time with or without notice. When determining whether or not to release common stock and other securities from lock-up agreements, Barclays Capital Inc. and Jefferies & Company, Inc. will consider, among other factors, the holder's reasons for requesting the release, the number of shares of common stock and other securities for which the release is being requested and market conditions at the time.

As described below under "—Directed Share Program," any participants in the Directed Share Program shall be subject to a 180-day lock up with respect to any shares sold to them pursuant to that program. This lock up will have similar restrictions and an identical extension provision as the lock-up agreement described above.

Offering Price Determination

Prior to this offering, there has been no public market for our common stock. The initial public offering price will be negotiated between the representatives and us. In determining the initial public offering price of our common stock, the representatives will consider:

- the history and prospects for the industry in which we compete;
- our financial information;
- the ability of our management and our business potential and earning prospects;
- the prevailing securities markets at the time of this offering; and
- the recent market prices of, and the demand for, publicly traded shares of generally comparable companies.

Indemnification

We and the selling stockholders have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act and liabilities incurred in connection with the directed share program referred to below, and to contribute to payments that the underwriters may be required to make for these liabilities.

Directed Share Program

At our request, the underwriters have reserved for sale at the initial public offering price up to 500,000 shares offered hereby for certain other persons associated with us. The number of shares available for sale to the general public will be reduced to the extent such persons purchase such reserved shares. Any reserved shares not so purchased will be offered by the underwriters to the general public on the same basis as the other shares offered hereby. Any participants in this program shall be prohibited from selling, pledging or assigning any shares sold to them pursuant to this program for a period of 180 days after the date of this prospectus. This 180-day lock up period shall be extended with respect to our issuance of an earnings release or if a material news or a material event relating to us occurs, in the same manner as described above under "—Lock-Up Agreements."

Stabilization, Short Positions and Penalty Bids

The representatives may engage in stabilizing transactions, short sales and purchases to cover positions created by short sales, and penalty bids or purchases for the purpose of pegging, fixing or maintaining the price of the common stock, in accordance with Regulation M under the Exchange Act:

- Stabilizing transactions permit bids to purchase the underlying security so long as the stabilizing bids do not exceed a specified maximum.

- A short position involves a sale by the underwriters of shares in excess of the number of shares the underwriters are obligated to purchase in the offering, which creates the syndicate short position. This short position may be either a covered short position or a naked short position. In a covered short position, the number of shares involved in the sales made by the underwriters in excess of the number of shares they are obligated to purchase is not greater than the number of shares that they may purchase by exercising their option to purchase additional shares. In a naked short position, the number of shares involved is greater than the number of shares in their option to purchase additional shares. The underwriters may close out any short position by either exercising their option to purchase additional shares and/or purchasing shares in the open market. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared to the price at which they may purchase shares through their option to purchase additional shares. A naked short position is more likely to be created if the underwriters are concerned that there could be downward pressure on the price of the shares in the open market after pricing that could adversely affect investors who purchase in the offering.

- Syndicate covering transactions involve purchases of the common stock in the open market after the distribution has been completed in order to cover syndicate short positions.

- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by the syndicate member is purchased in a stabilizing or syndicate covering transaction to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of the common stock. As a result, the price of the common stock may be higher than the price that might otherwise exist in the open market. These transactions may be effected on the NYSE or otherwise and, if commenced, may be discontinued at any time.

Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the common stock. In addition, neither we nor any of the underwriters makes any representation that the representatives will engage in these stabilizing transactions or that any transaction, once commenced, will not be discontinued without notice.

Electronic Distribution

A prospectus in electronic format may be made available on the Internet sites or through other online services maintained by one or more of the underwriters and/or selling group members participating in this offering, or by their affiliates. In those cases, prospective investors may view offering terms online and, depending upon the particular underwriter or selling group member, prospective investors may be allowed to place orders online. The underwriters may agree with us to allocate a specific number of shares for sale to online brokerage account holders. Any such allocation for online distributions will be made by the representatives on the same basis as other allocations.

Other than the prospectus in electronic format, the information on any underwriter's or selling group member's web site and any information contained in any other web site maintained by an underwriter or selling group member is not part of the prospectus or the registration statement of which this prospectus forms a part, has not been approved and/or endorsed by us or any underwriter or selling group member in its capacity as underwriter or selling group member and should not be relied upon by investors.

The New York Stock Exchange

Our shares of common stock have been approved for listing on the NYSE under the symbol "THR." In connection with that listing, the underwriters will undertake to sell the minimum number of common shares to the minimum number of beneficial owners necessary to meet the NYSE listing requirements.

Discretionary Sales

The underwriters have informed us that they do not intend to confirm sales to discretionary accounts that exceed 5% of the total number of shares offered by them.

Stamp Taxes

If you purchase shares of common stock offered in this prospectus, you may be required to pay stamp taxes and other charges under the laws and practices of the country of purchase, in addition to the offering price listed on the cover page of this prospectus.

Relationships

Certain of the underwriters and their affiliates have engaged, and may in the future engage, in commercial and investment banking transactions with us in the ordinary course of their business. They have received, and expect to receive, customary compensation and expense reimbursement for these commercial and investment banking transactions. In particular, Jefferies & Company, Inc., BMO Capital Markets Corp. and KeyBanc Capital Markets Inc. were initial purchasers in our senior secured notes offering in April 2010. In addition, affiliates of BMO Capital Markets Corp. and KeyBanc Capital Markets Inc. are lenders under our revolving credit facility. Each of these transactions were negotiated on an arm's length basis and contained or contains customary terms pursuant to which those parties received or receive customary fees and reimbursement for out-of-pocket costs.

Selling Restrictions

European Economic Area

In relation to each member state of the European Economic Area which has implemented the Prospectus Directive, each of which we refer to as a Relevant Member State, including each Relevant Member State that has implemented amendments to Article 3(2) of the Prospectus Directive with regard to persons to whom an offer of securities is addressed and the denomination per unit of the offer of securities, each of which we refer to as an Early Implementing Member State, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, which we refer to as the Relevant Implementation Date, no offer of shares of our common stock offered hereby will be made in the Institutional Offering to the public in that Relevant Member State (other than offers, which we refer to as Permitted Public Offers where a prospectus will be published in relation to the shares of our common stock offered hereby that has been approved by the competent authority in a Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive), except that with effect from and including that Relevant Implementation

Date, offers of shares of our common stock offered hereby may be made to the public in that Relevant Member State at any time:

(a) to "qualified investors," as defined in the Prospectus Directive, including:

(i) (in the case of Relevant Member States other than Early Implementing Member States), legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities, or any legal entity which has two or more of (i) an average of at least 250 employees during the last financial year; (ii) a total balance sheet of more than €43.0 million and (iii) an annual turnover of more than €50.0 million as shown in its last annual or consolidated accounts; or

(ii) (in the case of Early Implementing Member States), persons or entities that are described in points (1) to (4) of Section I of Annex II to Directive 2004/39/EC, and those who are treated on request as professional clients in accordance with Annex II to Directive 2004/39/EC, or recognised as eligible counterparties in accordance with Article 24 of Directive 2004/39/EC unless they have requested that they be treated as non-professional clients; or

(b) to fewer than 100 (or, in the case of Early Implementing Member States, 150) natural or legal persons (other than "qualified investors" as defined in the Prospectus Directive) subject to obtaining the prior consent of the Subscribers; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of shares of our common stock offered hereby shall result in a requirement for the publication of a prospectus pursuant to Article 3 of the Prospectus Directive or of a supplement to a prospectus pursuant to Article 16 of the Prospectus Directive.

Each person in a Relevant Member State (other than a Relevant Member State where there is a Permitted Public Offer) who initially acquires any shares of our common stock offered hereby or to whom any offer is made under the Institutional Offering will be deemed to have represented, acknowledged and agreed to and with each Subscriber and the Bank that (A) it is a "qualified investor," and (B) in the case of any shares of our common stock offered hereby acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (x) the shares of our common stock offered hereby acquired by it in the Institutional Offering have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than "qualified investors" as defined in the Prospectus Directive, or in circumstances in which the prior consent of the Subscribers has been given to the offer or resale, or (y) where shares of our common stock offered hereby have been acquired by it on behalf of persons in any Relevant Member State other than "qualified investors" as defined in the Prospectus Directive, the offer of those shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purpose of the above provisions, the expression "an offer to the public" in relation to any shares of our common stock offered hereby in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer of any such shares to be offered so as to enable an investor to decide to purchase any such shares, as the same may be varied in the Relevant Member State by any measure implementing the Prospectus Directive in the Relevant Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (including that Directive as amended, in the case of Early Implementing Member States) and includes any relevant implementing measure in each Relevant Member State.

United Kingdom

This prospectus is only being distributed to, and is only directed at, persons in the United Kingdom that are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive, which we refer to as Qualified Investors that are also (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, which we refer to as the Order, or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order, all such persons which we refer to together as relevant persons. This prospectus and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other persons in the United Kingdom. Any person in the United Kingdom that is not a relevant persons should not act or rely on this document or any of its contents.

Switzerland

This document, as well as any other material relating to the shares which are the subject of the offering contemplated by this prospectus, do not constitute an issue prospectus pursuant to Article 652a and/or 1156 of the Swiss Code of Obligations. The shares will not be listed on the SIX Swiss Exchange and, therefore, the documents relating to the shares, including, but not limited to, this document, do not claim to comply with the disclosure standards of the listing rules of the SIX Swiss Exchange. The shares are being offered in Switzerland by way of a private placement, i.e., to a small number of selected investors only, without any public offer and only to investors who do not purchase the shares with the intention to distribute them to the public. The investors will be individually approached by the issuer from time to time. This document, as well as any other material relating to the shares, is personal and confidential and do not constitute an offer to any other person. This document may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without express consent of the issuer. It may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

Hong Kong

The shares of our common stock offered hereby may not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made under that Ordinance, or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32, Laws of Hong Kong), or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the shares of our common stock offered hereby may be issued or may be in the possession of any person for the purpose of the issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to the shares of our common stock offered hereby which are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) or any rules made under that Ordinance.

Singapore

This prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares of our common stock offered hereby may not be circulated or distributed, nor may the shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other

than (i) to an institutional investor under Section 274 of the Securities and Future Act, Chapter 289 of Singapore, which we refer to as the SFA, (ii) to a "relevant person" as defined in Section 275(2) of the SFA, or any person pursuant to Section 275 (1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares of our common stock offered hereby are subscribed and purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor (as defined in Section 4A of the SFA)) whose sole whole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within six months after that corporation or that trust has acquired the shares under Section 275 of the SFA except

(i) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA) and in accordance with the conditions, specified in Section 275 of the SFA;

(ii) (in the case of a corporation) where the transfer arises from an offer referred to in Section 275(1A) of the SFA, or (in the case of a trust) where the transfer arises from an offer that is made on terms that such rights or interests are acquired at a consideration of not less than $200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets;

(iii) where no consideration is or will be given for the transfer; or

(iv) where the transfer is by operation of law.

By accepting this prospectus, the recipient hereof represents and warrants that he is entitled to receive it in accordance with the restrictions set forth above and agrees to be bound by limitations contained herein. Any failure to comply with these limitations may constitute a violation of law.

LEGAL MATTERS

Certain legal matters in connection with this offering, including the validity of the shares of common stock offered hereby, will be passed upon for us by Sidley Austin LLP, Chicago, Illinois. Certain legal matters in connection with this offering will be passed upon for the underwriters by White & Case LLP, New York, New York.

EXPERTS

Our consolidated financial statements as of March 31, 2010 and March 31, 2009 and for the years ended March 31, 2010 and 2009, the period from August 30, 2007 through March 31, 2008 ("predecessor"), and the period from April 1, 2007 through August 29, 2007 ("pre-predecessor"), appearing in this registration statement and prospectus have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report thereon appearing herein, and are based in part on the reports of Meyers Norris Penny LLP, Bell Partners and Shanghai JiaLiang CPAs, with respect to Thermon Canada Inc., Thermon Australia Pty Ltd. and Thermon Heat Tracing & Engineering (Shanghai) Co., Ltd., respectively. The financial statements referred to above are included in reliance upon such reports given on the authority of such firms as experts in accounting and auditing.

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC, Washington, D.C. 20549, a registration statement on Form S-1 with respect to the common stock being sold in this offering. This prospectus does not contain all of the information set forth in the registration statement and the exhibits thereto because some parts have been omitted in accordance with the rules and regulations of the SEC. You will find additional information about us and the common stock being sold in this offering in the registration statement and the exhibits thereto. For further information with respect to us and the common stock being sold in this offering, reference is made to the registration statement and the exhibits filed therewith. Statements contained in this prospectus as to the contents of any contract or other document referred to are not necessarily complete and in each instance, if such contract or document is filed as an exhibit, reference is made to the copy of such contract or other document filed as an exhibit to the registration statement, each statement being qualified in all respects by such reference. A copy of the registration statement, including the exhibits thereto, may be read and copied at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet site at *http://www.sec.gov*, from which interested persons can electronically access the registration statement, including the exhibits and any schedules thereto. Copies of the registration statement, including the exhibits and schedules thereto, are also available at your request, without charge, from Thermon Group Holdings, Inc., 100 Thermon Drive, San Marcos, TX 78666, Attention: Investor Relations. Our telephone number at that address is (512) 396-5801.

As a result of the offering, we will become subject to the full informational requirements of the Exchange Act. We will fulfill our obligations with respect to such requirements by filing periodic reports and other information with the SEC. We also maintain an Internet site at *http://www.thermon.com.* Our website and the information contained therein or connected thereto shall not be deemed to be incorporated into this prospectus or the registration statement of which it forms a part.

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Report of Independent Registered Public Accounting Firm

Members and Board of Directors
Thermon Holdings, LLC

We have audited the accompanying consolidated balance sheets of Thermon Holdings, LLC (the Company and Predecessor) as of March 31, 2010 and 2009, and the related consolidated statements of operations, members'/shareholders' equity, and cash flows for the years ended March 31, 2010 and 2009 and for the period from August 30, 2007 to March 31, 2008 (Predecessor); and for the period from April 1, 2007 to August 29, 2007 of Thermon Industries, Inc. (Pre-Predecessor). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We did not audit the financial statements of Thermon Canada, Inc., Thermon Australia, PTY., LTD, and Thermon Heat Tracing & Engineering (Shanghai) Co., Ltd., wholly owned subsidiaries, which statements reflect total assets of $96.3 million and $71.7 million as of March 31, 2010 and 2009, respectively, and total revenues of $59.0 million, and $68.6 million, $38.9 million, and $16.2 million, for the years ended March 31, 2010 and 2009, the period from August 30, 2007 to March 31, 2008, and for the period from April 1, 2007 to August 29, 2007, respectively. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for Thermon Canada, Inc., Thermon Australia, PTY., LTD (each of which are before certain adjustments to conform to United States generally accepted accounting principles), and Thermon China is based solely on the reports of the other auditors.

We conducted our audits in accordance with the standards of the Public Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. We were not engaged to perform an audit of the Company's internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits and the reports of other auditors provide a reasonable basis for our opinion.

We have audited the adjustments presented in the reconciliation from Canadian generally accepted accounting principles and Australian generally accepted accounting principles to United States generally accepted accounting principles for Thermon Canada, Inc. and Thermon Australia, PTY., LTD, respectively, reflected in Notes 17 and 18 to the consolidated financial statements.

In our opinion, based on our audits and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Thermon Holdings, LLC at March 31, 2010 and 2009, and the consolidated results of its operations and its cash flows for the years ended March 31, 2010 and 2009, and the period from August 30, 2007 to March 31, 2008 (Predecessor); and for the period from April 1, 2007 to August 29, 2007 of Thermon Industries, Inc. (Pre-Predecessor) in conformity with accounting principles generally accepted in the United States.

/s/ Ernst & Young LLP
Austin, Texas
November 22, 2010, except for Note 21,
as to which the date is April 1, 2011

Report of the Independent Registered Public Accounting Firm

To the Shareholder of Thermon Canada Inc.:

We have audited the balance sheets of Thermon Canada Inc. as at March 31, 2010 and 2009 and the statements of earnings (loss) and comprehensive income (loss), retained earnings (deficit), cash flows, and the related schedules, for each of the years in the three-year period ended March 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2010 and 2009 and the results of its operations and its cash flows for each of the years in the three-year period ended March 31, 2010 in accordance with Canadian generally accepted accounting principles.

As discussed more fully in Note 17, the financial statements as of and for the year ended March 31, 2008 have been restated to reflect changes resulting from a correction to corporate income taxes.

/s/ Meyers Norris Penny LLP

Calgary, Alberta
October 28, 2010

Chartered Accountants

Thermon Australia Pty Ltd

ABN: 79 000 554 932

Independent Audit Report to the members of Thermon Australia Pty Ltd

We have audited the accompanying financial statements of Thermon Australia Pty Ltd, which comprises the statement of financial position as at 31 March 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended that date a summary of significant accounting policies, other explanatory notes and the director's declaration.

Directors' Responsibility for the Financial Statements

The directors of the company are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial statements, are appropriate to meet the requirements of the Corporations Act 2001, and are appropriate to meet the needs of the members. The directors responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards and the standards of the Public Company Accounting Oversight Board (United States). These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

The financial statements have been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. We disclaim an assumption of responsibility for any reliance on this statement or on the financial statements to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations

Thermon Australia Pty Ltd

ABN: 79 000 554 932

Independent Audit Report to the members of Thermon Australia Pty Ltd

Act 2001, provided to the directors of Thermon Australia Pty Ltd on 24 May 2010, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion the financial statements of Thermon Australia Pty Ltd are prepared in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 31 March 2010 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

/s/ BELL PARTNERS

Bell Partners
Chartered Accountants

/s/ T G REES

T G Rees
Partner

Level 7, 468 St Kilda Road, Melbourne
31 May 2010

Thermon Australia Pty Ltd

ABN: 79 000 554 932

Independent Audit Report to the members of Thermon Australia Pty Ltd

Report on the Financial Report

We have audited the accompanying financial report of Thermon Australia Pty Ltd, which comprises the balance sheet as at 31 March 2009, and the income statement, statement of changes in equity and cash flow statement for the year ended that date a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. The directors responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as the whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards and the standards of the Public Company Accounting Oversight Board (United States). These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the Corporations Act 2001. We disclaim an assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of Thermon Australia Pty Ltd on 15 May 2009, would be in the same terms if provided to the directors as at the date of this auditor's report.

Thermon Australia Pty Ltd

ABN: 79 000 554 932

Independent Audit Report to the members of Thermon Australia Pty Ltd

Auditor's Opinion

In our opinion the financial report of Thermon Australia Pty Ltd is in accordance with the Corporations Act 2001, including:

(a) giving a true and fair view of the company's financial position as at 31 March 2009 and of its performance for the year ended on that date; and

(b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

/s/ BELL PARTNERS

Bell Partners
Chartered Accountants

/s/ T G REES

T G Rees
Partner

Level 7, 468 St Kilda Road, Melbourne

21 May 2009

THERMON AUSTRALIA PTY LTD 79 000 554 932

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERMON AUSTRALIA PTY LTD

Report on the financial report

We have audited the accompanying financial report, being a special purpose financial report, of Thermon Australia Pty Ltd, which comprises the balance sheet as at 31 March 2008, and the income statement, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the directors' declaration.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation and fair presentation of the financial report and have determined that the accounting policies described in Note 1 to the financial statements, which form part of the financial report, are appropriate to meet the requirements of the *Corporations Act 2001* and are appropriate to meet the needs of the members. The directors' responsibility also includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the members. We conducted our audit in accordance with Australian Auditing Standards and the standards of the Public Company Accounting Oversight Board (United States). These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

The financial report has been prepared for distribution to members for the purpose of fulfilling the directors' financial reporting under the *Corporations Act 2001*. We disclaim any assumption of responsibility for any reliance on this report or on the financial report to which it relates to any person other than the members, or for any purpose other than that for which it was prepared.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations

THERMON AUSTRALIA PTY LTD 79 000 554 932

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THERMON AUSTRALIA PTY LTD—(continued)

Act 2001, provided to the directors Thermon Australia Pty Ltd on 21 May 2008, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's opinion

In our opinion the financial report of Thermon Australia Pty Ltd is in accordance with the Corporations Act 2001, including:

a. giving a true and fair view of the company's financial position as at 31 March 2008 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 1; and

b. complying with Australian Accounting Standards to the extent described in Note 1 and complying with the *Corporations Regulations 2001*.

Name of Firm: /s/ BELL DUKE & CO

Bell Duke & Co

Name of Partner: /s/ T. G. REES

T. G. Rees

Address: Level 7
468 St Kilda Road
Melbourne VIC 3004

Dated this 27th day of May 2008

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

BOARD OF DIRECTORS
THERMON HEAT TRACING & ENGINEERING (SHANGHAI) CO., LTD.

We have audited the accompanying balance sheets of Thermon Heat Tracing & Engineering (Shanghai) Co., Ltd. ("the Company") as of March 31, 2010 and 2009, and the statement of income for the years ended March 31, 2010, 2009 and 2008. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the Independent Auditing Standards for Certified Public Accountants of China and the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of March 31, 2010 and 2009, and the results of its operations for the years ended March 31, 2010, 2009 and 2008, in conformity with accounting principles generally accepted in the United States of America.

/s/ SHANGHAI JIALIANG CPAS

Shanghai Jialiang CPAs

Shanghai, the People's Republic of China

October 31, 2010

Thermon Holdings, LLC

Consolidated Statements of Operations

(Dollars in Thousands)

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period From April 1, Through August 29, 2007
Sales	$ 192,713	$ 202,755	$ 124,196	$ 61,615
Cost of sales	101,401	105,456	76,291	33,801
Gross profit	91,312	97,299	47,905	27,814
Operating expenses:				
Marketing, general and administrative and engineering	47,343	49,807	29,862	17,182
Amortization of other intangible assets	2,426	6,627	6,716	—
Income from operations	41,543	40,865	11,327	10,632
Other income (expenses):				
Interest income	6	94	154	13
Interest expense	(7,357)	(9,625)	(7,934)	(440)
Gain (loss) on disposition of property, plant and equipment	(1)	(18)	(41)	(75)
Miscellaneous income (expense)	(1,285)	(3,120)	(3,715)	(9,222)
	(8,637)	(12,669)	(11,536)	(9,724)
Income (loss) from operations before provision for income taxes	32,906	28,196	(209)	908
Income taxes	(13,966)	(1,795)	(20,019)	(1,693)
Net income (loss)	$ 18,940	$ 26,401	$ (20,228)	$ (785)
Net income (loss) per common share:				
Basic	$ 401.23	$ 559.28	$ (428.51)	$ (19.70)
Diluted	362.47	490.41	(428.51)	(19.70)
Weighted-average shares used in computing net income (loss) per common share:				
Basic	47,205	47,205	47,205	39,850
Diluted	52,253	53,835	47,205	39,850
Cash distributions per share	$ 182.18	—	—	—

See accompanying notes.

Thermon Holdings, LLC

Consolidated Balance Sheets

(Dollars in Thousands)

	March 31	
	2010	2009
Assets		
Current assets:		
Cash and cash equivalents	$ 30,147	$ 13,402
Accounts receivable, net of allowance for doubtful accounts of $1,835 and $1,233 as of March 31, 2010 and 2009, respectively	41,882	37,874
Notes receivable and other	3	558
Inventories, net	22,835	25,103
Costs and estimated earnings in excess of billings on uncompleted contracts	1,636	2,458
Income taxes receivable	1,368	370
Prepaid expenses and other current assets	4,331	3,649
Deferred income taxes	1,428	1,872
Total current assets	103,630	85,286
Property, plant and equipment, net	22,750	22,255
Goodwill	42,013	37,008
Intangibles, net	50,137	46,171
Debt issuance costs, net	2,586	3,016
Total assets	$ 221,116	$ 193,736
Liabilities and members' equity		
Current liabilities:		
Accounts payable	$ 9,397	$ 10,458
Accrued liabilities	13,505	13,711
Billings in excess of costs and estimated earnings on uncompleted contracts	1,035	1,038
Income taxes payable	2,158	1,777
Due to former shareholders	—	2,363
Deferred income taxes	138	185
Total current liabilities	26,233	29,532
Long-term debt, net of current maturities	109,249	99,032
Deferred income taxes	30,005	26,361
Other noncurrent liabilities	555	597
Members' equity	55,074	38,214
Total liabilities and members' equity	$ 221,116	$ 193,736

See accompanying notes.

Thermon Holdings, LLC

Consolidated Statements of Members' Equity

(Shares and Dollars in Thousands)

	Ownership Units					
	Issued and Outstanding	Amount	Retained Earnings/ (Deficit)	Currency Translation Adjustment	Other	Total
Initial capitalization, August 30, 2007:						
Issuance of Class A Units for cash	33,837	$ 33,837	$ —	$ —	$ —	$ 33,837
Exchange Class A Units for certain shares of Thermon Industries, Inc.	12,943	3,232	—	—	—	3,232
Issuance of Class A Units for cash	425	425	—	—	—	425
Award of Unvested Series P Units for cash	6,630	7	—	—	—	7
Stock compensation	—	71	—	—	—	71
Net loss	—	—	(20,228)	—	—	(20,228)
Translation adjustment	—	—	—	2,928	—	2,928
Other	—	—	—	—	73	73
Comprehensive loss	—	—	—	—	—	(17,227)
Balances at March 31, 2008	53,835	37,572	(20,228)	2,928	73	20,345
Series P units forfeited	(1,582)	—	—	—	—	—
Stock compensation	—	(71)	—	—	—	(71)
Net income	—	—	26,401	—	—	26,401
Translation adjustment	—	—	—	(8,474)	—	(8,474)
Other	—	—	—	—	13	13
Comprehensive income	—	—	—	—	—	17,940
Balances at March 31, 2009	52,253	37,501	6,173	(5,546)	86	38,214
Dividend paid	—	—	(8,600)	—	—	(8,600)
Net income	—	—	18,940	—	—	18,940
Translation adjustment	—	—	—	6,606	—	6,606
Other	—	—	—	—	(86)	(86)
Comprehensive income	—	—	—	—	—	25,460
Balances at March 31, 2010	52,253	$ 37,501	$ 16,513	$ 1,060	$ —	$ 55,074

Thermon Holdings, LLC

Pre-Predecessor's Consolidated Statement of Shareholders' Equity

(Dollars in Thousands)

	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity
Balance at March 31, 2007	$ 40	$ 186	$ 28,883	$ 1,406	$ 30,515
Issuances of common stock	—	39	—	—	39
Net loss	—	—	(785)	—	(785)
Translation adjustments	—	—	—	1,209	1,209
Comprehensive income	—	—	—	—	424
Balance at August 29, 2007	$ 40	$ 225	$ 28,098	$ 2,615	$ 30,978

Thermon Holdings, LLC

Consolidated Statements of Cash Flows

(Dollars in Thousands)

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period From April 1, Through August 29, 2007
Operating activities				
Net income (loss)	$ 18,940	$ 26,401	$ (20,228)	$ (785)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	4,424	8,497	15,239	654
Amortization of debt cost, net	657	656	390	—
(Benefit)/provision for deferred income taxes	4,040	(11,622)	15,423	(157)
Loss on disposition of property, plant and equipment	1	19	41	75
Other	—	(15)	88	(98)
Changes in operating assets and liabilities, net of effects of acquisition:				
Accounts receivable	(2,971)	6,417	(14,982)	(1,189)
Inventories	2,855	33	(1,893)	(4,334)
Costs and estimated earnings and billings on construction contracts	819	(1,607)	493	9
Other current and noncurrent assets	(1,125)	(503)	(31)	(729)
Accounts payable	(789)	(3,283)	5,036	(1,140)
Accrued liabilities and noncurrent liabilities	(189)	(1,255)	6,666	(3,163)
Change in liability to former shareholders	(2,363)	(1,081)	3,444	—
Income taxes payable	382	1,029	(358)	284
Net cash provided by (used in) operating activities	24,681	23,686	9,328	(10,573)
Investing activities				
Proceeds from sales of property, plant and equipment	2	32	12	1
Purchases of property, plant and equipment	(1,587)	(2,708)	(4,229)	(1,085)
Cash paid for Thermon Industries, Inc. (net of cash acquired of $3,700)	—	—	(145,933)	—
Proceeds from insurance recoveries on building	—	—	—	1,278
Other investing transactions	—	408	—	—
Net cash provided by (used in) investing activities	(1,585)	(2,268)	(150,150)	194

Thermon Holdings, LLC

Consolidated Statements of Cash Flows—(continued)

(Dollars in Thousands)

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period From April 1, Through August 29, 2007
Financing activities				
Proceeds from revolving lines of credit and long-term debt	$ —	$ —	$ 116,975	$ 39,333
Debt issuance costs	—	—	(4,268)	—
Payments on revolving lines of credit and long-term debt	—	(11,957)	—	(28,503)
Proceeds from short-term notes payable	—	—	303	1
Payments on short-term notes payable	—	(310)	—	—
Issuance of common stock	—	—	34,270	39
Dividend paid	(8,600)	—	—	—
Net cash provided by (used in) financing activities	(8,600)	(12,267)	147,280	10,870
Effect of exchange rate changes on cash and cash equivalents	2,249	(2,223)	16	1,147
Change in cash and cash equivalents	16,745	6,928	6,474	1,638
Cash and cash equivalents at beginning of period	13,402	6,474	—	2,062
Cash and cash equivalents at end of period	$ 30,147	$ 13,402	$ 6,474	$ 3,700
Supplemental Noncash investing and financing activities				
Predecessor equity rollover	$ —	$ —	$ 3,232	$ —
Effect of exchange rate changes on long-term debt	$ 10,218	$ (9,652)	$ 1,849	$ —
Effect of exchange rate changes on fixed assets	$ (909)	$ 1,931	$ 119	$ —
Effect of exchange rate changes on intangibles	$ (6,619)	$ 7,981	$ —	$ —
Effect of exchange rate changes on Goodwill	$ (5,005)	$ 4,829	$ —	$ —
Cash paid for interest and income taxes				
Interest, net	$ 6,920	$ 8,521	$ 7,532	$ 434
Income taxes, net	$ 10,432	$ 12,482	$ 5,037	$ 1,119

See accompanying notes.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies

Organization

Thermon is a global manufacturing and engineering company dedicated to electrical and steam trace heating of piping, vessels, instrumentation and associated equipment. Through a network of international subsidiaries, the Company provides services to industrial and commercial businesses in most of the major industrial centers around the world. The Company's largest markets are the U.S., Europe, Asia and Canada. The Company's primary base of customers operates in the oil, chemical processing and power generation industries.

On August 30, 2007, Thermon Holdings, LLC (the Company and Predecessor) was established by the Audax Private Equity Fund II, L.P. and its affiliates (Audax), to acquire Thermon Industries, Inc. and its subsidiaries (Thermon and Pre-Predecessor).

The acquisition was accounted for as a purchase combination. The purchase price was allocated to the assets acquired based on their estimated fair values and liabilities assumed were recorded based upon their actual value. The Company engaged an independent third party appraisal firm to assist in the Company's determination of the fair values of assets acquired and liabilities assumed. The Company's management ultimately takes responsibility for valuations assigned to the assets and liabilities assumed in connection with the purchase combination.

The Company's accounting basis was changed to reflect the acquisition of the Pre-Predecessor by the Company because the Predecessor's shareholders retained a minority ownership interest in the Company in accordance with the accounting standards for leveraged buyout transactions. The Company's accounting basis was changed to fair value to reflect the new shareholder's interest in the Company and the continuing shareholders' residual interest was valued at the continuing shareholders' basis in the Pre-Predecessor of approximately $3,232, instead of the $12,943 fair value of the 12,942 Class A Units exchanged. This difference of $9,711 was prorated to the fair value adjustments to the net assets acquired.

Basis of Consolidation

The consolidated financial statements include the accounts of the Company and subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation. Consolidated subsidiaries domiciled in foreign countries comprised approximately 66%, 70%, 65%, and 62% of the Company's consolidated sales, $18,509, $17,500, $(700), and $5,500 of the Company's consolidated pretax income for the period from April 1, 2009 to March 31, 2010 (fiscal year 2010) April 1, 2008 to March 31, 2009 (fiscal year 2009), August 30, 2007 to March 31, 2008 and the period from April 1, 2007 to August 29, 2007, respectively, and 65% and 59%, of the Company's consolidated total assets at March 31, 2010 and 2009, respectively.

In November 2008, Thermon Manufacturing Company (TMC), a wholly-owned subsidiary of the Company, purchased all outstanding minority interest shares of Thermon Heat Tracers PVT. LTD. (India). As of March 31, 2010 and 2009, Thermon Heat Tracers PVT., LTD. is a wholly-owned subsidiary of TMC.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies—(continued)

During fiscal year 2010, the Company adopted standards for and disclosures of events that occur after the balance sheet date but before the financial statements are available to be issued. Management has evaluated subsequent events through June 28, 2010, the date at which the financial statements were available to be issued.

Segment Reporting

The Company's chief operating decision maker allocates resources and assesses the performance of its electrical and stream trace heating of piping, vessels, instrumentation and associated equipment sales activities as one segment.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results inevitably will differ from those estimates, and such differences may be material to the financial statements.

Cash Equivalents

Cash and cash equivalents consist of cash in bank and money market funds. All highly liquid investments purchased with maturities of three months or less from time of purchase are considered to be cash equivalents.

Receivables

The Company's receivables are recorded at cost when earned and represent claims against third parties that will be settled in cash. The carrying value of the Company's receivables, net of allowance for doubtful accounts, represents their estimated net realizable value. If events or changes in circumstances indicate specific receivable balances may be impaired, further consideration is given to the Company's ability to collect those balances and the allowance is adjusted accordingly. The Company has established an allowance for doubtful accounts based upon an analysis of aged receivables. Past-due receivable balances are written-off when the Company's internal collection efforts have been unsuccessful in collecting the amounts due.

The Company's primary base of customers operates in the oil, chemical processing and power generation industries. Although the Company has a concentration of credit risk within these industries, the Company has not experienced significant collection losses on sales to these customers. The Company's foreign receivables are not concentrated within any one geographic region nor are they subject to any current economic conditions that would subject the Company to unusual risk. The Company does not generally require collateral or other security from customers.

The Company performs credit evaluations of new customers and sometimes require deposits, prepayments or use of trade letters of credit to mitigate our credit risk. Allowance for doubtful account

1. Organization and Summary of Significant Accounting Policies—(continued)

balances are $1,835 and $1,233 as of March 31, 2010 and 2009, respectively. Although we have fully provided for these balances, we continue to pursue collection of these receivables.

The following table summarizes the annual changes in our allowance for doubtful accounts:

Pre-Predecessor:	
Balance at March 31, 2007	$ 611
Additions charged to expense	91
Write-off of uncollectible accounts	(6)
Balance at August 29, 2007	$ 696
Predecessor:	
Balance at August 30, 2007	$ 696
Additions charged to expense	284
Write-off of uncollectible accounts	(137)
Balance at March 31, 2008	843
Additions charged to expense	738
Write-off of uncollectible accounts	(348)
Balance at March 31, 2009	1,233
Additions charged to expense	881
Write-off of uncollectible accounts	(279)
Balance at March 31, 2010	$ 1,835

Inventories

Inventories, principally raw materials and finished goods, are valued at the lower of cost (weighted average cost) or market.

Revenue Recognition

Revenues from sales of the Company's products are recognized when persuasive evidence of an agreement exists, delivery of the product has occurred, the fee is fixed or determinable and collectibility is probable.

Construction contract revenues are recognized using the percentage-of-completion method, primarily based on contract costs incurred to date compared with total estimated contract costs. Changes to total estimated contract costs or losses, if any, are recognized in the period they are determined. Revenues recognized in excess of amounts billed are classified as costs and estimated earnings in excess of billings on uncompleted contracts. Essentially all of such amounts are expected to be billed and collected within one year and are classified as current assets. Billings in excess of costs and estimated earnings on uncompleted contracts are classified as current liabilities. When reasonably dependable estimates cannot be made, construction contract revenues are recognized using the completed contract method.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies—(continued)

Property, Plant and Equipment

Property, plant and equipment are stated at cost. Expenditures for renewals and improvements that significantly extend the useful life of an asset are capitalized. Expenditures for maintenance and repairs of assets are charged to operations as incurred when assets are sold or retired, the cost and accumulated depreciation are removed from the accounts and any gain or loss is credited or changed to operations.

Depreciation is computed using the straight-line method over the following lives:

	Useful Lives in Years
Land improvements	15 to 20
Buildings and improvements	10 to 40
Machinery and equipment	3 to 25
Office furniture and equipment	3 to 10

Fair Value Measurements

Financial instruments for which the Company did not elect the fair value option include cash and cash equivalents, accounts receivable, other current assets, current and long-term debt, accounts payable, and other current liabilities. The carrying amounts of these financial instruments, approximate their fair values due to their short-term nature or variable rates.

Goodwill and Other Intangible Assets

Costs in excess of net asset value (goodwill) of purchased businesses relates to the acquisition made by the Company. Separable intangible assets that have finite lives are amortized over their useful lives, and goodwill and indefinite lived intangible assets are not amortized, but are reviewed for impairment annually, or more frequently if impairment indicators arise. In making this assessment, management relies on a number of factors including operating results, business plans, economic projections, anticipated future cash flows, transactions, and market place data. There are inherent uncertainties related to these factors and management's judgment in applying them to the analysis of goodwill impairment. As such, U.S. GAAP requires that "push down" accounting be applied for wholly owned subsidiaries if the ownership is 95 percent or more. In connection with the Audax transaction, goodwill was allocated to the companies subsidiaries in the U.S., Canada and Europe accordingly. As such, the Company has identified three reporting units: U.S., Canada and Europe, for goodwill impairment testing, which are at a level below its operating segment. Factors considered important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical review or projected future operating results;
- Significant changes in the manner of our use of the acquired assets or the strategy for our overall business; and
- Significant negative industry or economic trends.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies—(continued)

When testing for goodwill impairment, the Company performs a step 1 goodwill impairment test to identify a potential impairment. In doing so, the Company compares the fair value of a reporting unit with its carrying amount. If the carrying amount of a reporting unit exceeds its fair value, goodwill may be impaired and a step 2 goodwill impairment test is performed to measure the amount of any impairment loss. In the step 2 goodwill impairment test, the Company compares the implied fair value of reporting unit goodwill with the carrying amount of that goodwill. If the carrying amount of reporting unit goodwill exceeds the implied fair value of that goodwill, an impairment loss is recognized in an amount equal to the excess. The implied fair value of goodwill is determined in the same manner that the amount of goodwill recognized in a business combination is determined. The Company allocates the fair value of a reporting unit to all of the assets and liabilities of that unit, including intangible assets, as if the reporting unit had been acquired in a business combination. Any excess of the value of a reporting unit over the amounts assigned to its assets and liabilities is the implied fair value of goodwill.

Estimates about fair value used in the step 1 goodwill impairment tests have been calculated using an income approach based on the present value of future cash flows of each reporting unit. The income approach has been supported by additional transaction and guideline analyses. These approaches incorporate a number of assumptions including future growth rates, discount factors, and income tax rates in assessing fair value. Changes in economic and operating conditions impacting these assumptions could result in goodwill impairments in future periods.

There was no impairment of goodwill for any period presented in these financial statements.

Long-Lived Assets

The Company evaluates its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of these assets is measured by comparison of the carrying amounts to the future undiscounted cash flows that the assets are expected to generate. If the long-lived assets are considered impaired, the impairment to be recognized equals the amount by which the carrying value of the asset exceeds the estimated fair value and is recorded in the period the determination was made.

Income Taxes

Taxable income or loss of Thermon Holdings, LLC is included in the income tax returns of its members. However, its sole direct subsidiary, Thermon Holding Corp. has elected C-Corporation status for income tax purposes. As a result, the income tax amounts recorded in these consolidated financial statements relate to Thermon Holding Corp. and its subsidiaries through which substantially all of the operations of the Company are derived.

The Company accounts for income taxes under the asset and liability method that requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been recognized in the financial statements or tax returns. Judgment is required in assessing the future tax consequences of events that have been recognized in the financial statements or tax returns. Variations in the actual outcome of these future tax consequences could materially impact the

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies—(continued)

Company's financial position or results of operations. In estimating future tax consequences, all expected future events are considered other than enactments of changes in tax laws or rates. Valuation allowances are established when necessary to reduce deferred tax assets to amounts which are more likely than not to be realized.

In June 2006, the Financial Accounting Standards Board (FASB) issued a pronouncement entitled Accounting for Uncertainty in Income Taxes (the Pronouncement), which clarifies the accounting for uncertain tax positions. The Pronouncement requires the Company recognize in its financial statements the impact of a tax position, if the position is more likely than not of being sustained on audit, based on the technical merits of the position. The Pronouncement was effective for the Company on April 1, 2009. The adoption did not have a material effect on the Company's financial statements.

Foreign Currency Transactions and Translation

Exchange adjustments resulting from foreign currency transactions are recognized in income as realized. For the Company's non-U.S. Dollar functional currency subsidiaries, assets and liabilities of foreign subsidiaries are translated into U.S. Dollars using year-end exchange rates. Income and expense items are translated at a weighted average exchange rate prevailing during the year. Adjustments resulting from translation of financial statements are reflected as a separate component of members' equity.

Warranties

The Company offers a standard warranty on product sales in which they will replace a defective product for a period of one year. Warranties on construction projects are negotiated individually, are typically one year in duration, and may include the cost of labor to replace products. Factors that affect the Company's warranty liability include the amount of sales, historical and anticipated rates of warranty claims, and cost per claim. The Company periodically assesses the adequacy of its recorded warranty liabilities and adjusts the amounts as necessary.

Research and Development

Research and development expenditures are expensed when incurred and are included in marketing, general and administrative and engineering expenses. Research and development expenses include salaries, direct costs incurred, and building and overhead expenses. The amounts expensed in fiscal year 2010 and 2009, in the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007 were $1,770, $1,676, $1,087, and $727, respectively.

Shipping and Handling Cost

The Company includes shipping and handling costs as part of cost of goods sold.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

1. Organization and Summary of Significant Accounting Policies—(continued)

Economic Dependence

Customer A accounted for 14% of the Company's total revenue during fiscal year 2009. No customer represented more than 10% of the Company's revenues in any of the other periods reported.

No customer represented more than 10% of the Company's accounts receivable at March 31, 2010 and 2009.

Reclassifications

Certain reclassifications of prior year Class P-unit amounts, miscellaneous income (expense) and operating cash flow amounts have been made to conform to current year presentations. Such reclassification had no impact on net income or total members' equity.

Recent Accounting Pronouncements

In September 2009, the FASB updated FASB ASC 105, *Generally Accepted Accounting Principles* (FASB ASC 105). The update establishes the FASB Standards Accounting Codification (Codification) as the source of authoritative U.S. generally accepted accounting principles (GAAP) recognized by the FASB to be applied to nongovernmental entities and rules and interpretive releases of the SEC as authoritative GAAP for SEC registrants. The Codification supersedes all existing non-SEC accounting and reporting standards. This update is effective for financial statements issued for annual periods ending after September 15, 2009. We adopted the update on March 31, 2010, as required and concluded it did not have a material impact on our consolidated financial position or results of operations.

In December 2007, the FASB issued FASB ASC 805, *Business Combinations* (FASB ASC 805), which significantly changes the principles and requirements for how the acquirer of a business recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, any non-controlling interest in the acquiree, and the goodwill acquired. This statement is effective prospectively, except for certain retrospective adjustments to deferred tax balances, for fiscal years beginning after December 15, 2008. The Company's adoption of FASB ASC 805, on April 1, 2009, had no material impact on its financial position or results of operations.

In September 2006, the Financial Accounting Standards Board ("FASB") issued guidance in ASC 820, *Fair Value Measurements and Disclosures*, that defines fair value, establishes a framework for measuring fair value, expands disclosure about fair value measurements, and introduces the fair value option for certain for certain financial assets and liabilities. The Company adopted the fair value provisions of ASC 820 on April 1, 2008. Prior to adoption, the fair value measurement and disclosure requirements for non-financial assets and liabilities were deferred by one year. The Company adopted the fair value provisions of ASC 820 for non-financial assets and liabilities on April 1, 2009. The adoption did not have a material impact on the Company's financial position, result of operations or cash flows.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

2. Net Income (Loss) Per Common Share

Basic net income (loss) per share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income (loss) per share is computed by dividing net income by the weighted average number of common shares and common share equivalents outstanding (if dilutive) during each period. The number of common share equivalents, which include options and P units, is computed using the treasury stock method.

The basic and diluted net income per share calculations are presented below (in thousands, except for per share amounts):

	Year Ended March 31, 2010	Year Ended March 31, 2009	For the period From August 30, 2007 Through March 31, 2008	For the Period From April 1, Through August 29, 2007
Basic net income (loss) per common share				
Net income (loss)	$ 18,940	$ 26,401	$ (20,228)	$ (785)
Weighted-average common shares outstanding(1)	47,205	47,205	47,205	39,850
Basic net income (loss) per common share	$ 401.23	$ 559.28	$ (428.51)	$ (19.70)

(1) Outstanding Class P series units held by certain members of management are contingent on the satisfaction of certain conditions that have not yet been met and therefore are not included in the calculation of the weighted-average shares outstanding for basic net income (loss) per common share.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

2. Net Income (Loss) Per Common Share—(continued)

	Year Ended March 31, 2010	Year Ended March 31, 2009	For the period From August 30, 2007 Through March 31, 2008	For the Period From April 1, Through August 29, 2007
Diluted net income (loss) per common share				
Net income (loss) used to determine diluted net income (loss) per common share	$ 18,940	$ 26,401	$ (20,228)	$ (785)
Weighted-average common shares outstanding	47,205	47,205	47,205	39,850
Adjustment for incremental shares arising from assumed exercise of Class P units and options	5,048	6,630	—	—
Weighted-average common shares for diluted net income (loss) per share	52,253	53,835	47,205	39,850
Diluted net income (loss) per common share(1)	$ 362.47	$ 490.41	$ (428.51)	$ (19.70)

(1) As the Company was in a net loss position for the period from August 30, 2007 through March 31, 2008 and for the period from April 1, through August 29, 2007, there was no dilutive effect on net loss per common share as the Class P units and options are antidilutive. Therefore, both basic and diluted net loss per common share were $(428.51) for the period from August 30, 2007 through March 31, 2008 and $(19.70) for the period from April 1, through August 29, 2007.

3. Inventories

Inventories consisted of the following at March 31:

	2010	2009
Raw materials	$ 7,451	$ 7,361
Work in progress	1,831	2,798
Finished goods	14,725	16,297
	24,007	26,456
Valuation reserves	(1,172)	(1,353)
Net inventory	$ 22,835	$ 25,103

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

3. Inventories—(continued)

The following table summarizes the annual charges in our valuation reserve accounts:

Pre-Predecessor:	
Balance at March 31, 2007	$ 448
Additions charged to expense	83
Charged to reserve	(1)
Balance at August 29, 2007	$ 530
Predecessor:	
Balance at August 30, 2007	$ 530
Additions charged to expense	1,356
Charged to reserve	(58)
Balance at March 31, 2008	1,828
Additions charged to expense	349
Charged to reserve	(824)
Balance at March 31, 2009	1,353
Additions charged to expense	173
Charged to reserve	(354)
Balance at March 31, 2010	$ 1,172

4. Property, Plant and Equipment

Property, plant and equipment consisted of the following at March 31:

	2010	2009
Land, buildings and improvements	$ 13,437	$ 13,001
Machinery and equipment	11,739	9,757
Office furniture and equipment	2,866	2,521
	28,042	25,279
Accumulated depreciation	(5,292)	(3,024)
	$ 22,750	$ 22,255

Depreciation expense was $1,998, $1,870, $1,377, and $654 in fiscal 2010 and 2009, for the period from August 30, 2007 to March 31, 2008, and for the period from April 1, 2007 to August 29, 2007, respectively.

5. Acquisition, Goodwill and Other Intangible Assets

On August 30, 2007, the Company paid approximately $149,633 in cash, including approximately $3,224 in closing costs, and issued 12,942 Class A Member Units to certain Thermon management investors in exchange for all of the common stock and options to acquire common stock of the

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

5. Acquisition, Goodwill and Other Intangible Assets—(continued)

Pre-Predecessor. The Company financed the cash portion of the acquisition with proceeds from (i) issuance of 33,837 Class A Member Units to Audax for $33,837 and (ii) cash from the issuance of $107,000 of term loans and (iii) cash from the issuance of $9,588 of revolving credit loans.

The following table summarizes the estimated fair value of the assets acquired and liabilities assumed.

Assets acquired:	
Cash and cash equivalents	$ 3,700
Accounts receivable, net	29,812
Inventories, net	30,080
Other current assets	4,546
Property, plant and equipment	20,232
Identifiable intangible assets	64,883
Goodwill	41,695
Other noncurrent assets	50
Total assets	194,998
Liabilities assumed:	
Current liabilities	18,430
Other long-term debt	1,711
Noncurrent deferred tax liability	21,071
Other noncurrent liabilities	922
Total liabilities	42,134
Purchase price	152,864
Less: cash	(3,700)
Purchase price net of cash	$ 149,164

At March 31, 2010, approximately $3,911 of the purchase price was held in escrow by a third party for the benefit of the Company in the event of any breaches of representations and warranties contained in the definitive agreements.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

5. Acquisition, Goodwill and Other Intangible Assets—(continued)

Other intangible assets at March 31, 2010 consist of the following:

	Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks	—	$ 27,767	$ —	$ 27,767
Developed technology	20 years	6,408	828	5,580
Customer relationships	10 years	21,632	5,588	16,044
Backlog	3-16 months	9,770	9,770	—
Certifications	—	521	57	464
Noncompete agreements	5 years	464	240	224
Other	—	58	—	58
Total		$ 66,620	$ 16,483	$ 50,137

Other intangible assets at March 31, 2009 consist of the following:

	Life	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks	—	$ 24,678	$ —	$ 24,678
Developed technology	20 years	5,695	451	5,244
Customer relationships	10 years	18,415	2,916	15,499
Backlog	3-16 months	8,184	8,184	—
Certifications	—	413	—	413
Noncompete agreements	5 years	413	131	282
Other	—	55	—	55
Total		$ 57,853	$ 11,682	$ 46,171

The change in the gross carrying value from March 31, 2009 to March 31, 2010 is mainly related to foreign exchange rate fluctuations.

The Company recorded amortization expense of $2,426, $6,627, $6,716, and $-0- for fiscal year 2010, 2009, the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively. Annual amortization for the next five years and thereafter will approximate the following:

2011	$ 2,426
2012	2,426
2013	2,374
2014	2,337
2015	2,337
Thereafter	9,948
Total	$ 21,848

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

5. Acquisition, Goodwill and Other Intangible Assets—(continued)

The following reconciles goodwill recorded at the date of acquisition through March 31, 2010:

Balance at acquisition	$ 41,695
Foreign currency impact	876
Balance at March 31, 2008	42,571
Reductions	(734)
Foreign currency impact	(4,829)
Balance at March 31, 2009	37,008
Foreign currency impact	5,005
Balance at March 31, 2010	$ 42,013

None of the balance of Goodwill and Other Intangible assets is deductible for income tax purposes.

6. Accrued Liabilities

Accrued current liabilities consisted of the following at March 31:

	Fiscal	
	2010	2009
Accrued employee compensation and related expenses	$ 6,171	$ 9,180
Warranty reserve	699	975
Professional fees	1,097	807
Interest	280	567
Taxes payable	567	395
Compliance costs	704	748
Other	3,987	1,039
Total accrued current liabilities	$ 13,505	$ 13,711

7. Short-Term Revolving Lines of Credit

The Company's subsidiary in the Netherlands has a revolving credit facility in the amount of Euro 4,000 (equivalent to $5,381 USD at March 31, 2010) collateralized by receivables, inventory, equipment, furniture and real estate. No loans were outstanding on this facility at March 31, 2010 or 2009.

The Company's subsidiary in India has a revolving credit facility in the amount of 80,000 rupees (equivalent to $1,777 USD at March 31, 2010). The facility is collateralized by receivables, inventory, real estate, a letter of credit, and cash. No loans were outstanding under the facility at March 31, 2010 or 2009.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

7. Short-Term Revolving Lines of Credit—(continued)

The Company's subsidiary in Australia has a revolving credit facility in the amount of $325 Australian Dollars (equivalent to $298 USD at March 31, 2010). The facility is collateralized by real estate. The facilities had no loans outstanding as of March 31, 2010 or 2009.

8. Long-Term Debt

Long-term debt consists of the following at March 31:

	2010	2009
Loan advances under $25,000,000 (reduced from $35,000,000 in December 2008) multicurrency revolving credit facility collateralized by substantially all assets of U.S. and Canadian companies including accounts receivable, inventory, equipment, real estate and a portion of the Company's common stock in certain international affiliates and the guaranty of certain affiliates. Interest is payable periodically based on Lender's Prime Rate plus 1.75% or LIBOR / BA Rate plus 2.75%. Principal is due at maturity on August 31, 2012.	$ —	$ —
Notes payable to lender collateralized by substantially all assets of U.S. and Canadian companies including accounts receivable, inventory, equipment, real estate and a portion of the Company's common stock in certain international affiliates and the guaranty of certain affiliates. Interest is payable periodically based on LIBOR Rate (0.25% and 0.5% at March 31, 2010 and 2009, respectively) plus 5.75%. Principal is due at maturity on August 30, 2014	109,249	99,032
	109,249	99,032
Less current portion	—	—
	$ 109,249	$ 99,032

The change in long-term debt from March 31, 2009 to March 31, 2010 is related to the effect of exchange rates in the amount of $10,217. The carrying amounts of long-term debt approximate their fair values due to their variable interest rates.

Substantially all of the Company's receivables, inventories and property, plant and equipment are pledged as collateral under one or more of its notes payable and, under the terms of certain of its notes payable, the Company has restrictions on additional indebtedness and dividends and, among other things, must maintain specific cash flow and debt ratios.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

8. Long-Term Debt—(continued)

Maturities of long-term debt are as follows for the years ended March 31:

2011	$ —
2012	—
2013	—
2014	—
2015	109,249
Total	$ 109,249

9. Related-Party Transactions

The Company paid management fees and expenses to Audax in fiscal year 2010 and 2009 of $862 and $825, and $475 during the period from August 30, 2007 to March 31, 2008. In connection with formation on August 30, 2007, the Company also paid Audax success fees of $2,376 that were expensed, and reimbursed out of pocket expenses of $410 that were included in the cost of the acquisition.

The Company paid rent of $4 and $5 during the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively, to the Company's President and Chairman for lease of certain buildings and facilities in San Marcos, Texas. There was no such rent paid during fiscal year 2009 and 2010.

Notes receivable and other includes $-0- and $477 due from former shareholders under indemnity agreements at March 31, 2010 and 2009, respectively.

In connection with the acquisition the selling shareholders issued the Company a collateral loan of $2,363 to secure certain letters of credit and bank guarantees. The balance of the loan was repaid in March 2010.

10. Employee Benefits

The Company has defined contribution plans covering substantially all domestic employees and certain foreign subsidiary employees who meet certain service and eligibility requirements. Participant benefits are 100% vested upon participation. The Company matches employee contributions, limited to 50% of the first 6% of each employee's salary contributed. The Company's matching contributions to defined contribution plans on a consolidated basis were approximately $749, $697, $339, and $331 in fiscal year 2010 and 2009 and during the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively.

The Company has an incentive compensation program to provide employees with incentive pay based on the Company's ability to achieve certain profitability objectives. The Company recorded approximately $3,253, $5,400, $3,612, and $1,410, for incentive compensation earned during fiscal year 2010 and 2009, the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively. The bulk of the incentive is normally paid subsequent to the finalization of fiscal results for the fiscal year. In the fiscal year 2010, the amount actually paid out

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

10. Employee Benefits—(continued)

with respect to fiscal 2009 was reduced by approximately $1,043 and the benefit was reflected in the fiscal 2010 incentive expense.

11. Commitments and Contingencies

At March 31, 2010, the Company had in place letter of credit guarantees from banks, securing performance obligations of the Company, totaling $4,580 relating to certain sales contracts of which $2,066 is secured by cash deposits. Included in prepaid expenses and other current assets at March 31, 2010 and 2009, was approximately $2,066 and $400, respectively, of foreign currency deposits pledged as collateral on performance bonds and letters of credit.

The Company leases various property and equipment under operating leases. Lease expense was approximately $1,697, $1,605, $974, and $747 in fiscal year 2010 and 2009, the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively. Future minimum annual lease payments under these leases are as follows for the years ended March 31:

2011	$ 1,490
2012	758
2013	409
2014	311
2015	102
Thereafter	—
	$ 3,070

The Company has entered into information technology service agreements with several vendors. The service fees expense amounted to $1,114, $1,106, $461, and $645 during fiscal year 2010 and 2009, the period from August 30, 2007 through March 31, 2008, and the period from April 1, 2007 through August 29, 2007, respectively. The future annual service fees under the service agreements are as follows for the fiscal years ended March 31:

2011	$ 1,034
2012	843
2013	329
2014	55
2015	—
	$ 2,261

In the ordinary course of conducting its business, the Company becomes involved in various lawsuits and administrative proceedings. Some of these proceedings may result in fines, penalties, or judgment being assessed against the Company, which, from time to time, may have an impact on earnings. It is the opinion of management the following proceeding will not have a material adverse effect on the Company's operations or financial position.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

11. Commitments and Contingencies—(continued)

The Company filed voluntary self disclosure reports with the Department of the Treasury, Office of Foreign Assets Control (OFAC) and the Department of Commerce, Bureau of Industry and Security (BIS) to advise of possible violations of U.S. export control and sanctions laws. The Company settled the matter with OFAC in August 2009 and agreed to pay a civil penalty of $15. The Company settled the matter with BIS in September 2009 and agreed to pay a civil penalty of $176. The penalties and legal expenses related to these matters were reimbursed from a $2,000 escrow fund created under the 2007 Agreement and Plan of Merger (CBT Escrow). The remainder of the CBT Escrow was distributed to former shareholders after the settlements were finalized.

The Company also filed a voluntary self disclosure report to the Department of Commerce (OAC), Office of Antiboycott Compliance to advise of possible violations of U.S. antiboycott regulations. At March 31, 2010, the Company had not received a formal response from the OAC and the Company cannot predict the ultimate outcome or estimate of loss for the petition at this stage. An escrow fund created under the 2007 Agreement and Plan of Merger (the General Indemnity Escrow) will reimburse the Company for fees, penalties and expenses in excess of $1,510 (the Deductible). The General Indemnity Escrow had a balance of $3,911 as of March 31, 2010 (See Note 5). As of March 31, 2010, the Company has incurred $806 in expenses subject to the Deductible. Therefore, if additional fees, penalties and expenses exceed $704, the Company expects to be reimbursed up to the amount then remaining in the General Indemnity Escrow.

The OAC sent draft charging letters to the Company on June 25, 2010 and indicated that it intended to initiate settlement discussions promptly. The amount remaining in the General Indemnity Escrow as of June 28, 2010 is $1,000.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

11. Commitments and Contingencies—(continued)

Changes in the Company's product liability for the three-year period ended March 31, 2010 are as follows:

Pre-Predecessor:	
Balance at March 31, 2007	$ 464
Reserve for warranties issued during the period	107
Settlements made during the period	(87)
Balance at August 29, 2007	$ 484
Predecessor:	
Balance at August 30, 2007	$ 484
Reserve for warranties issued during the period	318
Settlements made during the period	(186)
Balance at March 31, 2008	616
Reserve for warranties issued during the period	518
Settlements made during the period	(159)
Balance at March 31, 2009	975
Reserve for warranties issued during the period	188
Settlements made during the period	(464)
Balance at March 31, 2010	$ 699

12. Members' Equity

The limited liability company agreement (Operating Agreement) entered into in August 2007 in connection with the acquisition of Thermon sets forth that ownership interests are comprised of Class A Units for investors and a series of Class P Units as profits interest units. The Operating Agreement sets forth the terms of ownership and how the profits, losses and gains will be allocated to the capital accounts of its members. The timing and aggregate amount of distributions to unit holders are determined at the sole discretion of the Board of Managers. Only Class A Units are voting units. Unless specifically agreed, holders of the Company's ownership interest have no liability for the Company's obligations.

Units are not transferable, except in limited circumstances as set out in the Operating Agreement.

Class P Units are additionally subject to the terms of the certificate documenting the award, including vesting and repurchase rights at the lower of original cost of fair market value upon separation of service.

In the event of a change of control transactions, Class A Units receive all distributions until capital is returned. Then, Class P units receive all distributions until their capital is returned. Thereafter, Class A Units and Class P-1 Units participate until two times capital is returned. Thereafter, Class A Units and Class P-1 and P-2 Units participate until three times capital is returned. Thereafter, Class A

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

12. Members' Equity—(continued)

Units and Class P-1, P-2 and P-3 Units participate until four times capital is returned. Thereafter all Units participate. Distributions are currently prohibited by agreement with lenders to the Company.

In February 2008, certain members of management were issued 6,630 restricted and unvested Class P series units for $7 in cash. These units vest at a rate of 20% at each anniversary of the grant through February 2013, and are exercisable in the event of a change in control transaction. The following table summarizes activity in Member units by class during the fiscal year ended March 31, 2010.

	Shares Outstanding March 31, 2009	Shares Forfeited	Shares Outstanding March 31, 2010	Shares Vested March 31, 2010	Available for Issuance March 31, 2010
Class A Units	47,205	—	47,205	—	—
Class P1 Units	2,319	—	2,319	929	1,508
Class P2 Units	858	—	858	343	560
Class P3 Units	906	—	906	363	593
Class P4 Units	965	—	965	385	622
Total P Units	5,048	—	5,048	2,020	3,283
Total	52,253	—	52,253	2,020	3,283

13. Income Taxes

Income taxes included in the consolidated income statement consisted of the following:

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period from April 1, 2007 Through August 29, 2007
Current provision:				
Federal provision	$ 4,481	$ 4,643	$ 1,189	$ 202
Foreign provision	5,168	8,427	3,242	1,735
State provision (benefit)	277	347	165	(87)
Deferred provision:				
Federal deferred provision (benefit)	3,413	(8,367)	18,161	(178)
Foreign deferred provision (benefit)	617	(3,082)	(2,576)	26
State deferred provision (benefit)	10	(173)	(162)	(5)
Total provision for income taxes	$ 13,966	$ 1,795	$ 20,019	$ 1,693

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

13. Income Taxes—(continued)

Deferred income tax assets and liabilities were as follows:

	March 31,	
	2010	2009
Deferred tax assets:		
Accrued liabilities and reserves	$ 874	$ 1,372
Inventories	251	294
Pensions	100	67
International, net	203	139
	1,428	1,872
Deferred tax liabilities:		
Intangible assets	12,171	11,755
Property, plant and equipment	2,860	2,522
Canadian debt facility	14,945	11,973
Other	167	296
	30,143	26,546
Net deferred tax liability	$ 28,715	$ 24,674

The U.S. and non-U.S. components of income (loss) from continuing operations before income taxes were as follows:

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period from April 1, 2007 Through August 29, 2007
U.S.	$ 14,398	$ 10,766	$ 557	$ (4,572)
Non-U.S.	18,508	17,430	(766)	5,480
Income (loss) from continuing operations	$ 32,906	$ 28,196	$ (209)	$ 908

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

13. Income Taxes—(continued)

The difference between the provision for income taxes and the amount that would result from applying the U.S. statutory tax rate to income before provision for income taxes is as follows:

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period from April 1, 2007 Through August 29, 2007
Notional U.S. federal income tax expense (benefit) at the statutory rate	$ 11,517	$ 9,888	$ (67)	$ 327
Adjustments to reconcile to the income tax provision (benefit):				
U.S. state income tax provision (benefit), net	86	51	155	14
Effects on Canadian debt facility	2,463	(7,755)	19,997	—
Rate difference—international subsidiaries	(410)	(1,122)	(5)	1,826
Nondeductible charges	38	(36)	60	(574)
Adjustment to tax account balances	251	479	(258)	(47)
Other	21	290	137	147
Provision (benefit) for income taxes	$ 13,966	$ 1,795	$ 20,019	$ 1,693

The Company views undistributed earnings of certain foreign subsidiaries as permanently re-invested. Foreign tax credits would substantially offset any such earnings should they be distributed and, therefore, the Company has provided no deferred taxes related to these earnings.

In connection with obtaining financing in Canada during the acquisition discussed in Note 5 to the consolidated financial statements, the stock of Thermon Canada, a subsidiary of Thermon Manufacturing Company ("TMC"), was transferred to Thermon Holding Corp. ("THC"). This caused TMC to realize a gain on the difference between its tax basis in Thermon Canada and the fair market value of Thermon Canada's stock under IRC Section 311(b); however, the gain was deferred under the consolidated return rules and created a "deferred intercompany gain". This deferred gain is a tax attribute which is not reflected on the financial statements of the Company since it is avoidable.

Additionally, as a result of certain transactions related to the acquisition and internal reorganization, Thermon Canada was deemed to have assumed approximately CAD 54 million of third party debt from its U.S. parent for U.S. income tax purposes. As a general rule, the assumption of a parent's debt by a wholly-owned subsidiary is the equivalent of a dividend from the subsidiary to the parent. However, since THC remains jointly and severally liable on the debt pursuant to the credit agreement, the constructive dividend is not deemed to occur until Thermon Canada pays interest and/or principal on the debt thereby relieving THC of its obligation. The deemed assumption of the debt created a deferred tax liability, which will reverse as debt service payments are made over the term of the loan. Furthermore, since the debt is in Canadian currency, the deferred tax liability

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

13. Income Taxes—(continued)

recorded on the U.S. financial statements is also subject to fluctuations in the foreign currency exchange rate each year.

As of March 31, 2010, the tax years 2004 through 2009 remain open to examination by the major taxing jurisdictions to which we are subject.

As a result of the implementation of the pronouncement entitled Accounting for Uncertainty of Income Taxes, the Company recognized no change in the liability for unrecognized tax benefits and no adjustments to the April 1, 2009 balance of retained earnings.

14. Miscellaneous Income (Expense)

Miscellaneous income (expense) included in the consolidated income statement consisted of the following for the year ended March 31:

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period From August 30, 2007 Through March 31, 2008	For the Period from April 1, 2007 Through August 29, 2007
Professional fees and expenses related to proposed capital transactions	$ (1,012)	$ (1,273)	$ (3,470)	$ (5,350)
Compliance fees and costs	—	(1,220)	(300)	—
Employee compensation related to sale on August 29, 2007	—	—	—	(3,930)
Other	(273)	(627)	55	58
Total	$ (1,285)	$ (3,120)	$ (3,715)	$ (9,222)

15. Geographic Information

The Company has determined its operating segments using the management approach. The management approach designates the internal organization that is used by management for making operating decisions and assessing performance as the source of our operating segments. It requires disclosures about products and services, geographic areas and major customers.

The Company has defined its operating segment based on geographic regions. The Company sells its products in two geographic regions. The Company's sales in these regions share similar economic characteristics, similar product mix, similar customers and similar distribution methods. Accordingly, the Company elected to aggregate these two geographic regions into a single operating segment. Revenue from the sale of its products which are similar in nature and revenue from construction and engineering are reflected as sales in its consolidated statement of operations.

Within its operating segment, the Company has provided further detail for those countries or regions that generate significant revenue and operating income. For purposes of this note, revenue is

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

15. Geographic Information—(continued)

attributed to individual countries on the basis of the physical location and jurisdiction of organization of the subsidiary that invoices the material and services.

Total sales, operating income and long-lived assets, classified by major geographic areas in which the Company operates are as follows:

	Predecessor			Pre-Predecessor
	Year Ended March 31, 2010	Year Ended March 31, 2009	For the Period August 30, 2007 Through March 31, 2008	For the Period April 1, 2007 Through August 29, 2007
Sales by geographic area:				
Western hemisphere:				
United States	$ 65,453	$ 61,931	$ 43,325	$ 23,298
Canada	50,740	60,528	33,582	13,272
Elsewhere in the Western Hemisphere	1,165	2,151	1,224	2,299
Intercompany sales	38,149	45,721	24,225	13,347
	155,507	170,331	102,356	52,216
Eastern hemisphere:				
Europe	52,329	50,114	29,851	13,995
Asia	23,027	28,031	16,215	8,751
Intercompany sales	2,105	1,741	1,480	864
	77,461	79,886	47,546	23,610
Eliminations	(40,255)	(47,462)	(25,706)	(14,211)
	192,713	202,755	124,196	61,615
Operating income:				
Western hemisphere:				
United States	14,496	14,051	3,141	2,107
Canada	15,212	12,769	4,699	3,344
Elsewhere in the Western Hemisphere	(128)	569	145	762
Eastern hemisphere:				
Europe	8,597	10,360	2,174	2,852
Asia	3,866	3,892	2,387	1,461
Unallocated:				
Management fees	(862)	(825)	(475)	—
Other	362	49	(744)	106
	$ 41,543	$ 40,865	$ 11,327	$ 10,632

	March 31,	
	2010	2009
Long-lived assets		
Western hemisphere	$ 18,852	$ 18,511
Eastern hemisphere	3,898	3,744
	$ 22,750	$ 22,255

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

16. Subsequent Events—CHS Acquisition

In April 2010, a group of private equity entities led by CHS Capital LLC (f/k/a Code Hennessy & Simmons LLC), which we refer to as CHS, purchased Thermon Holding Corp. from its then-existing owners (primarily equity group Audax) for approximately $310 million in a transaction that was financed by approximately $129 million of equity, and $210 million of debt raised in a private bond offering under Rule 144A-sales to qualified investors. These financings include amounts used to purchase the business as well as transaction costs.

17. Summary of Significant Differences Between Generally Accepted Accounting Principles (GAAP) in the United States and Canada

The accounting principles followed by the Company conform with U.S. GAAP. Significant differences affecting the Company between U.S. GAAP and Canadian GAAP as it relates to Thermon Canada, Inc are summarized below.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

17. Summary of Significant Differences Between Generally Accepted Accounting Principles (GAAP) in the United States and Canada—(continued)

(a) Consolidated Balance Sheets under U.S. GAAP

	As of March 31,	
	2010	2009
ASSETS		
Current assets:		
Cash and cash equivalents	$ 30,147	$ 13,402
Accounts receivable	41,882	37,874
Notes receivable and other	3	558
Inventories	22,835	25,103
Cost and estimated earnings in excess of billings on uncompleted contracts	1,636	2,458
Income tax receivable	1,368	370
Prepaid expenses and other current assets	4,331	3,649
Deferred income taxes (Note d)	1,428	1,872
Total current assets	103,630	85,286
Property, plant and equipment	22,750	22,255
Goodwill (Note c)	42,013	37,008
Intangibles, net (Note c)	50,137	46,171
Deferred issuance cost (Note b)	2,586	3,016
Total assets	$ 221,116	$ 193,736
LIABILITIES		
Current liabilities	$ 26,233	$ 29,532
Long term debt (Note b)	109,249	99,032
Deferred income taxes (Note d)	30,005	26,361
Other noncurrent liabilities	555	597
Total liabilities	166,042	155,522
Commitments and contingencies		
SHAREHOLDERS' EQUITY		
Members' equity (Note e)	55,074	38,214
Total liabilities and shareholders' equity	$ 221,116	$ 193,736

(b) Deferred issuance cost

Under GAAP in the United States, debt issuance costs are capitalized as an asset and amortized over the term of the debt. Canadian GAAP does not permit an entity to classify debt issuance costs as deferred charges but instead requires capitalized financing fees to be deducted from the amortized cost of the debt. As such, the long term debt balance is approximately $1.0 million lower under Canadian GAAP with the balance being recorded as a deferred issuance cost in the consolidated financial statements under U.S. GAAP. No differences were noted as it related to the statement of operations.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

17. Summary of Significant Differences Between Generally Accepted Accounting Principles (GAAP) in the United States and Canada—(continued)

(c) Push down accounting

In connection with the Audax Transaction in fiscal year 2008, approximately 70% of Thermon Industries, Inc. was acquired by the private equity investor and the remaining 30% consisted of management rollover equity. Pursuant to pre-codification guidance under EITF 88-16, *Basis in Leveraged Buyout Transactions*, and pre-codification guidance under EITF 90-12,*Allocating Basis to Individual Assets and Liabilities for Transactions within the Scope of Issue No. 88-16*, under GAAP in the United States, if less than 100% of a Company is acquired, the portion of the Company not acquired is valued at the predecessor basis. Such provision does not exist under Canadian GAAP, therefore 100% of the step-up was recorded under GAAP in Canada. This resulted in a basis difference of approximately $3.2 million in the opening balance sheet as of August 30, 2007. The basis differences as of March 31, 2010 and 2009 were $2.8 million and $2.4 million, respectively, including the effects of foreign currency fluctuations. See note (e) below as it relates to the effects on the statement of operations for the periods presented.

(d) Taxes

Tax accounting rules are essentially the same under both U.S. and Canadian GAAP, tax account differences can arise from differing treatment of various assets and liabilities. Based on an analysis performed by the Company for the years ended March 31, 2010 and 2009, no significant differences were identified. On April 1, 2009, we adopted the provisions of FIN 48 (as codified in ASC topic 740 "Income Taxes") ("ASC 740") for U.S. GAAP purposes. ASC 740 prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. ASC 740 requires that we recognize in our consolidated financial statements, only those tax positions that are "more-likely-than-not" of being sustained as of the adoption date, based on the technical merits of the position. As a result of the implementation of ASC 740, we performed a comprehensive review of our material tax positions in accordance with recognition and measurement standards established by ASC 740. Based on this review the provisions of ASC 740 had no effect on our financial position, cash flows or results of operations at either March 31, 2010 or March 31, 2009.

(e) Statement of operations and statement of members' equity/shareholders' equity

The adjustments to comply with GAAP in the United States for the Predecessor years ended March 31, 2010 and 2009, and the period from August 30, 2007 to March 31, 2008; and for the Pre-Predecessor period from April 1, 2007 to August 29, 2007 would have no material effect on net income or members' equity/shareholders' equity. As a result of the difference in basis related to intangible assets under U.S. GAAP disclosed further under (c) above, less amortization expense was recorded under U.S. GAAP for the Predecessor years ended March 31, 2010 and 2009, and the period from August 30, 2007 to March 31, 2008 of approximately $160, $530, and $420. No such basis difference was noted during the Pre-predecessor period.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

17. Summary of Significant Differences Between Generally Accepted Accounting Principles (GAAP) in the United States and Canada—(continued)

(f) Statements of cash flow

The adjustment to comply with GAAP in the United States for the Predecessor the years ended March 31, 2010 and 2009, and the period from August 30, 2007 to March 31, 2008; and for the Pre-Predecessor period from April 1, 2007 to August 29, 2007 would have no effect on net cash and cash equivalents provided by operating activities, cash provided by (used in) financing activities, and cash used in investing activities aside from the difference in amortization expense disclosed under (e) above.

18. Summary of Significant Differences Between Generally Accepted Accounting Principles (GAAP) in the United States and Australia

The accounting principles followed by the Company conform with U.S. GAAP. No significant differences affecting the Company between U.S. GAAP and Australian GAAP as it relates to Thermon Australia, PTY., LTD were identified for the Predecessor years ended March 31, 2010 and 2009, and the period from August 30, 2007 to March 31, 2008; and for the Pre-Predecessor period from April 1, 2007 to August 29, 2007.

19. Guarantor Consolidation

Thermon Industries, Inc., a wholly-owned subsidiary of Thermon Holdings, LLC, assumed the obligations of Thermon Finance, Inc. under the senior secured notes issued in connection with the sale by Thermon Holdings, LLC of Thermon Holding Corp. to Thermon Group, Inc. in April 2010 (See Note 16). The senior secured notes are guaranteed by Thermon Holding Corp. and each of its existing and future wholly-owned U.S. Subsidiaries other than Thermon Industries, Inc. However, all other subsidiaries located outside of the United States are not guarantors under the senior secured notes. The accompanying condensed consolidated balance sheets as of March 31, 2010 and March 31, 2009 and the accompanying condensed statements of operations and cash flows for the year ended March 31, 2010 and March 31, 2009 and for the period from August 30, 2007 through March 31, 2008, represent the financial position, results of operations and cash flows of Thermon Holdings, LLC, Thermon Holding Corp. and other U.S. restricted subsidiaries. The information is presented on the equity method of accounting together with elimination entries necessary to reconcile to the consolidated financial statements.

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19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Operations

(Dollars in Thousands)

	Year Ended March 31, 2010						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ 101,712	$ 131,256	$ (40,255)	$ 192,713
Cost of sales	—	—	—	65,554	76,462	(40,615)	101,401
Gross profit	—	—	—	36,158	54,794	360	91,312
Operating expenses:							
Marketing, general and administrative and engineering	—	—	—	22,069	25,274	—	47,343
Amortization of other intangible assets	—	—	—	454	1,972	—	2,426
Income from operations	—	—	—	13,635	27,548	360	41,543
Other income/(expenses):							
Equity in earnings of subsidiaries	18,940	18,940	12,271	11,274	—	(61,425)	—
Interest income	—	4,016	4,016	41	(16)	(8,051)	6
Interest expense	—	(4,016)	(4,016)	(4,016)	(3,341)	8,032	(7,357)
Miscellaneous income (expense) and other	—	—	—	4,397	(5,683)	—	(1,286)
	18,940	18,940	12,271	11,696	(9,040)	(61,444)	(8,637)
Income before provision for income taxes	18,940	18,940	12,271	25,331	18,508	(61,084)	32,906
Income taxes	—	—	—	(8,309)	(5,547)	(110)	(13,966)
Net income (loss)	$ 18,940	$ 18,940	$ 12,271	$ 17,022	$ 12,961	$ (61,194)	$ 18,940

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Operations—(continued)

(Dollars in Thousands)

	Year Ended March 31, 2009						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ 104,693	$ 145,524	$ (47,462)	$ 202,755
Cost of sales	—	—	—	66,360	86,527	(47,431)	105,456
Gross profit	—	—	—	38,333	58,997	(31)	97,299
Operating expenses:							
Marketing, general and administrative and engineering	—	—	—	24,644	25,234	(71)	49,807
Amortization of other intangible assets	—	—	—	382	6,173	72	6,627
Income from operations	—	—	—	13,307	27,590	(32)	40,865
Other income/(expenses):							
Equity in earnings of subsidiaries	26,401	26,401	22,883	13,578	—	(89,263)	—
Interest income	—	5,275	5,275	36	96	(10,588)	94
Interest expense	—	(5,275)	(5,275)	(5,275)	(4,377)	10,577	(9,625)
Miscellaneous income (expense) and other	—	—	—	2,785	(5,879)	(44)	(3,138)
	26,401	26,401	22,883	11,124	(10,160)	(89,318)	(12,669)
Income before provision for income taxes	26,401	26,401	22,883	24,431	17,430	(89,350)	28,196
Income taxes	—	—	—	3,221	(5,023)	7	(1,795)
Net income (loss)	$ 26,401	$ 26,401	$ 22,883	$ 27,652	$ 12,407	$ (89,343)	$ 26,401

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Operations—(continued)

(Dollars in Thousands)

	For the Period From August 30, 2007 Through March 31, 2008						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ 66,378	$ 83,524	$ (25,706)	$ 124,196
Cost of sales	—	—	—	48,694	53,099	(25,502)	76,291
Gross profit	—	—	—	17,684	30,425	(204)	47,905
Operating expenses:							
Marketing, general and administrative and engineering	—	—	—	13,740	16,122	—	29,862
Amortization of other intangible assets	—	—	—	1,312	5,475	(71)	6,716
Income from operations	—	—	—	2,632	8,828	(133)	11,327
Other income/(expenses):							
Equity in earnings of subsidiaries	(20,228)	(20,228)	(18,438)	2,949	—	55,945	—
Interest income	—	3,990	3,990	98	58	(7,982)	154
Interest expense	—	(3,990)	(3,990)	(3,990)	(3,947)	7,983	(7,934)
Miscellaneous income (expense) and other	—	—	—	1,562	(5,705)	387	(3,756)
	(20,228)	(20,228)	(18,438)	619	(9,594)	56,333	(11,536)
Income before provision for income taxes	(20,228)	(20,228)	(18,438)	3,251	(766)	56,200	(209)
Income taxes	—	—	—	(19,561)	(515)	57	(20,019)
Net income (loss)	$ (20,228)	$ (20,228)	$ (18,438)	$ (16,310)	$ (1,281)	$ 56,257	$ (20,228)

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Operations—(continued)

(Dollars in Thousands)

	For the Period From April 1, 2007 Through August 29, 2007						
	Thermon Holdings, LLC(1)	Thermon Holding Corp. (Guarantor)(1)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ 36,214	$ 39,612	$ (14,211)	$ 61,615
Cost of sales	—	—	—	24,714	23,387	(14,300)	33,801
Gross profit	—	—	—	11,500	16,225	89	27,814
Operating expenses:							
Marketing, general and administrative and engineering	—	—	—	9,376	7,806	—	17,182
Amortization of other intangible assets	—	—	—	—	—	—	—
Income from operations	—	—	—	2,124	8,419	89	10,632
Other income/(expenses):							
Equity in earnings of subsidiaries	—	—	(785)	4,787	—	(4,002)	—
Interest income	—	—	—	1	12	—	13
Interest expense	—	—	—	(359)	(81)	—	(440)
Miscellaneous income (expense) and other	—	—	—	(6,427)	(2,844)	(26)	(9,297)
	—	—	(785)	(1,998)	(2,913)	(4,028)	(9,724)
Income before provision for income taxes	—	—	(785)	126	5,506	(3,939)	908
Income taxes	—	—	—	2	(1,659)	(36)	(1,693)
Net income (loss)	$ —	$ —	$ (785)	$ 128	$ 3,847	$ (3,975)	$ (785)

(1) Thermon Holdings, LLC and Thermon Holding Corp. were not part of the Company's organizational structure during the period from April 1, 2007 through August 29, 2007; rather, they were added in connection with the closing of the Audax Transaction, which was completed on August 30, 2007.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Balance Sheet

(Dollars in Thousands)

	Year Ended March 31, 2010						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Assets							
Current assets							
Cash and cash equivalents	$ —	$ —	$ —	$ 4,692	$ 25,455	$ —	$ 30,147
Accounts receivable, net	—	—	—	15,829	30,472	(4,419)	41,882
Notes and other	—	—	—	3,024	3	(3,024)	3
Inventories, net	—	—	—	10,666	13,531	(1,362)	22,835
Costs and estimated earnings in excess of billings on uncompleted contracts	—	—	—	1,209	427	—	1,636
Income taxes receivable	—	—	—	1,098	270	—	1,368
Prepaid expenses and other current assets	—	—	—	1,633	2,291	407	4,331
Deferred income taxes	—	—	—	1,125	303	—	1,428
Total current assets	—	—	—	39,276	72,752	(8,398)	103,630
Property, plant and equipment, net	—	—	—	15,366	7,384	—	22,750
Goodwill	—	—	—	15,404	26,609	—	42,013
Intangible assets, net	—	—	—	12,858	37,279	—	50,137
Debt issuance costs, net	—	—	—	1,545	1,041	—	2,586
Intercompany loans	—	56,000	56,000	335	—	(112,335)	—
Investment in subsidiaries	55,074	55,074	28,409	63,467	—	(202,024)	—
	$ 55,074	$ 111,074	$ 84,409	$ 148,251	$ 145,065	$ (322,757)	$ 221,116
Liabilities and members' equity							
Current liabilities:							
Accounts payable	$ —	$ —	$ —	$ 4,232	$ 9,001	$ (3,836)	$ 9,397
Accrued liabilities	—	—	—	6,671	9,262	(2,428)	13,505
Billings in excess of costs and estimated earnings on uncompleted contracts	—	—	—	1,035	—	—	1,035
Income taxes payable	—	—	—	182	1,976	—	2,158
Notes payable	—	—	—	1,155	358	(1,513)	—
Deferred income taxes	—	—	—	138	—	—	138
Total current liabilities	—	—	—	13,413	20,597	(7,777)	26,233
Long-term debt, net of current maturities	—	56,000	—	—	53,249	—	109,249
Intercompany debt	—	—	56,000	56,000	—	(112,000)	—
Deferred income taxes	—	—	—	21,861	8,144	—	30,005
Other noncurrent liabilities	—	—	—	—	555	—	555
Members'/shareholder's equity	55,074	55,074	28,409	56,977	62,520	(202,980)	55,074
	$ 55,074	$ 111,074	$ 84,409	$ 148,251	$ 145,065	$ (322,757)	$ 221,116

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Balance Sheet—(continued)

(Dollars in Thousands)

	Year Ended March 31, 2009						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Assets							
Current assets							
Cash and cash equivalents	$ —	$ —	$ —	$ 5,912	$ 7,490	$ —	$ 13,402
Accounts receivable, net	—	—	—	15,204	28,433	(5,763)	37,874
Notes and other	432	—	—	3,323	81	(3,278)	558
Inventories, net	—	—	—	12,329	14,498	(1,724)	25,103
Costs and estimated earnings in excess of billings on uncompleted contracts	—	—	—	1,398	1,060	—	2,458
Income taxes receivable	—	—	—	143	227	—	370
Prepaid expenses and other current assets	—	—	—	1,091	2,558	—	3,649
Deferred income taxes	—	—	—	1,150	161	561	1,872
Total current assets	432	—	—	40,550	54,508	(10,204)	85,286
Property, plant and equipment, net	—	—	—	15,321	6,934	—	22,255
Goodwill	—	—	—	15,404	21,604	—	37,008
Intangible assets, net	—	—	—	13,312	32,859	—	46,171
Debt issuance costs, net	—	—	—	1,973	1,043	—	3,016
Deferred income taxes non-current	—	—	—	—	45	(45)	—
Intercompany loans	—	56,000	56,000	80	—	(112,080)	—
Investment in subsidiaries	37,782	37,782	22,167	52,909	—	(150,640)	—
	$ 38,214	$ 93,782	$ 78,167	$ 139,549	$ 116,993	$ (272,969)	$ 193,736
Liabilities and members' equity							
Current liabilities:							
Accounts payable	$ —	$ —	$ —	$ 4,739	$ 11,867	$ (6,148)	$ 10,458
Accrued liabilities	—	—	—	8,546	6,407	(1,242)	13,711
Billings in excess of costs and estimated earnings on uncompleted contracts	—	—	—	1,038	—	—	1,038
Income taxes payable	—	—	—	153	1,624	—	1,777
Notes payable	—	—	—	1,587	145	(1,732)	—
Due to former shareholders	—	—	—	2,363	—	—	2,363
Deferred income taxes	—	—	—	185	—	—	185
Total current liabilities	—	—	—	18,611	20,043	(9,122)	29,532
Long-term debt, net of current maturities	—	56,000	—	—	43,032	—	99,032
Intercompany debt	—	—	56,000	56,000	—	(112,000)	—
Deferred income taxes	—	—	—	18,933	7,428	—	26,361
Other noncurrent liabilities	—	—	—	—	597	—	597
Members'/shareholder's equity	38,214	37,782	22,167	46,005	45,893	(151,847)	38,214
	$ 38,214	$ 93,782	$ 78,167	$ 139,549	$ 116,993	$ (272,969)	$ 193,736

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Cash Flows

(Dollars in Thousands)

	Year Ended March 31, 2010						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by operations	$ 8,600	$ 8,600	$ 8,600	$ 8,848	$ 19,162	$ (29,129)	$ 24,681
Investing activities							
Proceeds from sales of P.P.& E.	—	—	—	2	—	—	2
Purchases of P.P.& E.	—	—	—	(1,200)	(387)	—	(1,587)
Other investing transactions	—	—	—	—	—	—	—
Net cash (used) in investing activities	—	—	—	(1,198)	(387)	—	(1,585)
Financing activities							
Payments on debt	—	—	—	—	—	—	—
Payment of dividends to members	(8,600)	—	—	—	—	—	(8,600)
Payment of intercompany dividends	—	(8,600)	(8,600)	(8,600)	(2,856)	28,656	—
Change in affiliate debt	—	—	—	(270)	(203)	473	—
Net cash (used) in financing activities	(8,600)	(8,600)	(8,600)	(8,870)	(3,059)	29,129	(8,600)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	2,249	—	2,249
Change in cash and cash equivalents	—	—	—	(1,220)	17,965	—	16,745
Cash at beginning of period	—	—	—	5,912	7,490	—	13,402
Cash at end of period	$ —	$ —	$	$ 4,692	$ 25,455	$ —	$ 30,147

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Cash Flows—(continued)

(Dollars in Thousands)

	Year Ended March 31, 2009						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by operations	$ —	$ —	$ —	$ 10,206	$ 15,262	$ (1,782)	$ 23,686
Investing activities							
Proceeds from sales of P.P.&E.	—	—	—	21	11	—	32
Purchases of P.P.&E.	—	—	—	(1,387)	(1,321)	—	(2,708)
Other investing transactions	—	—	—	408	—	—	408
Net cash (used) in investing activities	—	—	—	(958)	(1,310)	—	(2,268)
Financing activities							
Payments on debt	—	(4,588)	—	(1,080)	(6,599)	—	(12,267)
Payment of intercompany dividends	—	—	—	—	(1,948)	1,948	—
Change in affiliate debt	—	4,588	—	(5,261)	839	(166)	—
Net cash (used) in financing activities	—	—	—	(6,341)	(7,708)	1,782	(12,267)
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	(2,223)	—	(2,223)
Change in cash and cash equivalents	—	—	—	2,907	4,021	—	6,928
Cash at beginning of period	—	—	—	3,005	3,469	—	6,474
Cash at end of period	$ —	$ —	$ —	$ 5,912	$ 7,490	$ —	$ 13,402

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Cash Flows—(continued)

(Dollars in Thousands)

	For the Period From August 30, 2007 Through March 31, 2008						
	Thermon Holdings, LLC	Thermon Holding Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by operations	$ —	$ —	$ —	$ 11,306	$ (2,783)	$ 805	$ 9,328
Investing activities							
Proceeds from sales of P.P.& E.	—	—	—	1	11	—	12
Purchases of P.P.&E.	—	—	—	(2,463)	(1,766)	—	(4,229)
Cash paid for Thermon Industries, Inc.	—	(145,933)	—	—	—	—	(145,933)
Purchase accounting adjustments	—	47,843	—	(3,438)	(46,832)	2,427	—
Investment in subsidiaries	(37,502)	—	—	—	—	37,502	—
Net cash (used) in investing activities	(37,502)	(98,090)	—	(5,900)	(48,587)	39,929	(150,150)
Financing activities							
Proceeds from debt issued, net of costs	—	60,588	—	(2,401)	54,823	—	113,010
Issuance of common stock	37,502	37,502	—	—	—	(40,734)	34,270
Net cash (used) in financing activities	37,502	98,090	—	(2,401)	54,823	(40,734)	147,280
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	16	—	16
Change in cash and cash equivalents	—	—	—	3,005	3,469	—	6,474
Cash at beginning of period	—	—	—	—	—	—	—
Cash at end of period	$ —	$ —	$ —	$ 3,005	$ 3,469	$ —	$ 6,474

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Holdings, LLC

Condensed Statement of Cash Flows—(continued)

(Dollars in Thousands)

	For the Period From April 1, 2007 Through August 29, 2007						
	Thermon Holdings, LLC(1)	Thermon Holding Corp. (Guarantor)(1)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by operations	$ —	$ —	$ (39)	$ (10,424)	$ (110)	$ —	$ (10,573)
Investing activities							
Proceeds from sales of P.P.& E and insurance recoveries.	—	—	—	1,279	—	—	1,279
Purchases of P.P.&E.	—	—	—	(477)	(608)	—	(1,085)
Net cash (used) in investing activities	—	—	—	802	(608)	—	194
Financing activities							
Proceeds from revolving lines of credit	—	—	—	39,333	—	—	39,333
Payments on revolving lines of credit	—	—	—	(26,475)	(2,027)	—	(28,502)
Issuance of common stock	—	—	39	—	—	—	39
Net cash (used) in financing activities	—	—	39	12,858	(2,027)	—	10,870
Effect of exchange rate changes on cash and cash equivalents	—	—	—	—	1,147	—	1,147
Change in cash and cash equivalents	—	—	—	3,236	(1,598)	—	1,638
Cash at beginning of period	—	—	—	60	2,002	—	2,062
Cash at end of period	$ —	$ —	$ —	$ 3,296	$ 404	$ —	$ 3,700

(1) Thermon Holdings, LLC and Thermon Holding Corp. were not part of the Company's organizational structure during the period from April 1, 2007 through August 29, 2007; rather, they were added in connection with the closing of the Audax Transaction, which was completed on August 30, 2007.

Thermon Holdings, LLC

Notes to Consolidated Financial Statements—(continued)

(Dollars in Thousands)

March 31, 2010

20. Quarterly Results (Unaudited)

The following quarterly results have been derived from unaudited consolidated financial statements that, in the opinion of management, reflect all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of such quarterly information. The operating results for any quarter are not necessarily indicative of the results to be expected for any future period. The unaudited quarterly financial data for each of the eight quarters in the two years ended March 31, 2010 are as follows:

	Three Months Ended			
	June 30 2009	September 30 2009	December 31 2009	March 31 2010
Sales	$ 50,812	$ 44,745	$ 47,348	$ 49,808
Gross profit	22,837	22,906	23,196	22,373
Income from operations	11,670	11,665	10,031	8,177
Net income	$ 5,243	$ 5,304	$ 4,182	$ 4,212

	Three Months Ended			
	June 30 2008	September 30 2008	December 31 2008	March 31 2009
Sales	$ 53,398	$ 52,060	$ 52,766	$ 44,531
Gross profit	22,875	25,657	26,712	22,055
Income from operations	8,347	10,969	12,122	9,427
Net income	$ 4,288	$ 6,341	$ 7,119	$ 8,653

Note 21. Subsequent Events—Increase in Authorized Shares and Stock Split

On March 31, 2011, the Board of Directors of Thermon Group Holdings, Inc. ("Successor") approved an increase in the number of authorized shares to 150,000,000 shares of common stock and a 192.458681-to-one split of Successor's issued and outstanding common stock. The increase in the authorized shares and the stock split became effective on March 31, 2011. The common share and per common share amounts in these consolidated financial statements and notes to consolidated financial statements have not been restated to reflect the 192.458681-to-one split, as the capital structures of the Predecessor and Successor are substantially different and the reported per common share amounts are not comparable.

Thermon Group Holdings, Inc.

Unaudited Financial Statements for the Nine Months Ended December 31, 2010

Thermon Group Holdings, Inc.

Condensed Consolidated Balance Sheets (Unaudited)

(Dollars in Thousands)

	December 31, 2010 (Successor) (Unaudited)	March 31, 2010 (Predecessor)
Assets		
Current assets:		
Cash and cash equivalents	$ 35,201	$ 30,147
Accounts receivable, net of allowance for doubtful accounts of $1,331 and $1,835 as of December 31, 2010 and March 31, 2010, respectively	47,073	41,882
Notes receivable and other	—	3
Inventories, net	27,600	22,835
Costs and estimated earnings in excess of billings on uncompleted contracts	1,245	1,636
Income taxes receivable	1,999	1,368
Prepaid expenses and other current assets	7,883	4,331
Deferred income taxes	1,421	1,428
Total current assets	122,422	103,630
Property, plant and equipment, net	23,404	22,750
Goodwill	116,626	42,013
Intangible assets, net	159,346	50,137
Debt issuance costs, net	12,263	2,586
	$ 434,061	$ 221,116
Liabilities and shareholder's/members' equity		
Current liabilities:		
Accounts payable	$ 16,319	$ 9,397
Accrued liabilities	16,789	13,505
Advance payment	10,248	—
Obligations due to settle the CHS Transaction	3,754	—
Billings in excess of costs and estimated earnings on uncompleted contracts	—	1,035
Income taxes payable	129	2,158
Deferred income taxes	—	138
Total current liabilities	47,239	26,233
Long-term debt, net of current maturities	210,000	109,249
Deferred income taxes	53,916	30,005
Other noncurrent liabilities	1,844	555
Common stock, 24,933,407 shares issued and outstanding $.001 par value, 150,000,000 authorized	—	—
Additional paid-in capital	130,236	
Foreign currency translation adjustment	1,786	—
Accumulated deficit	(10,960)	—
Shareholder's/Members' equity	121,062	55,074
	$ 434,061	$ 221,116

See accompanying notes.

Thermon Group Holdings, Inc.

Condensed Consolidated Statements of Operations and Comprehensive Income/Loss (Unaudited)

(Dollars in Thousands)

	For the Period From May 1, Through December 31, 2010 (Successor)	For the Period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Sales	$ 165,905	$ 13,063	$ 142,905
Cost of sales	98,795	6,447	73,966
Gross profit	67,110	6,616	68,939
Operating expenses:			
Marketing, general and administrative and engineering	37,227	4,263	33,770
Amortization of other intangible assets	15,126	215	1,803
Income from operations	14,757	2,138	33,366
Other income/(expenses):			
Interest income	10	7	54
Interest expense	(17,111)	(6,229)	(5,570)
Success fees to owners related to the CHS Transaction	(3,022)	(4,716)	—
Miscellaneous expense	(4,667)	(8,901)	(881)
Income (loss) before provision for income taxes	(10,033)	(17,701)	26,969
Income taxes (expense) benefit	(927)	17,434	(12,241)
Net income (loss)	$ (10,960)	$ (267)	$ 14,728
Comprehensive income (loss):			
Net income (loss)	(10,960)	$ (267)	$ 14,728
Foreign currency translation adjustment	1,786	(576)	6,886
Comprehensive income (loss)	$ (9,174)	$ (843)	$ 21,614
Net income (loss) per common share:			
Basic	$ (0.44)	$ (5.11)	$ 312.00
Diluted	(0.44)	(5.11)	281.86
Weighted-average shares used in computing net income (loss) per common share:			
Basic	24,887,987	52,253	47,205
Diluted	24,887,987	52,253	52,253

See accompanying notes.

Thermon Group Holdings, Inc.

Condensed Consolidated Statement of Changes in Shareholders'/Members' Equity (Unaudited)

(Dollars in Thousands, except share data)

	Shares Outstanding	Stock/Capital Amount	Retained Earnings/ (Deficit)	Currency Translation Adjustment	Total
Predecessor:					
Balances at March 31, 2010	52,253	$ 37,501	$ 16,513	$ 1,060	$ 55,074
Net loss	—	—	(267)	—	(267)
Foreign currency translation adjustment	—	—	—	(576)	(576)
Balances at April 30, 2010	52,253	$ 37,501	$ 16,246	$ 484	$ 54,231
Successor:					
Initial Capitalization at May 1, 2010:					
Issuance of common stock for cash	21,658,530	$ 112,536	$ —	$ —	$ 112,536
Exchange for certain units of Thermon Holdings, LLC	2,825,293	14,680	—	—	14,680
Issuance for cash related to certain management investments	391,846	2,036	—	—	2,036
Stock-based compensation expense	9,623	734	—	—	734
Shares issued for cash to directors	48,115	250	—	—	250
Net loss	—	—	(10,960)	—	(10,960)
Foreign currency translation adjustment	—	—	—	1,786	1,786
Balances at December 31, 2010	24,933,407	130,236	(10,960)	1,786	121,062
Predecessor:					
Balances at March 31, 2009	52,253	$ 37,501	$ 6,173	$ (5,460)	$ 38,214
Net income	—	—	14,728	—	14,728
Foreign currency translation adjustment	—	—	—	6,886	6,886
Balances at December 31, 2009	52,253	37,501	20,901	1,426	59,828

See accompanying notes.

Thermon Group Holdings, Inc.

Condensed Consolidated Statement of Cash Flows (Unaudited)

(Dollars in Thousands)

	For the Period From May 1, Through December 31, 2010 (Successor)	For the Period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Operating activities			
Net income (loss)	$ (10,960)	$ (267)	$ 14,728
Adjustment to reconcile net income to net cash provided by (used in) operating activities:			
Depreciation and amortization	24,040	392	3,223
Amortization of debt costs	3,365	2,586	512
Stock-based compensation expense	734	—	—
Provision (benefit) for deferred income taxes	(2,660)	(15,122)	3,080
Changes in operating assets and liabilities:			
Accounts receivable	(6,452)	1,365	240
Inventories	(2,972)	(1,719)	2,932
Costs and estimated earnings and billings on construction contracts	(678)	34	204
Other current and noncurrent assets	(1,241)	(3,151)	(1,765)
Accounts payable	5,672	825	(223)
Accrued liabilities and noncurrent liabilities	18,161	9,515	(281)
Change in liability to former shareholders	—	—	(1,437)
Income taxes payable	(937)	(860)	1,974
Net cash provided by (used in) operating activities	26,072	(6,402)	23,187
Investing activities			
Purchases of property, plant and equipment	(1,149)	(97)	(976)
Cash paid for Thermon Holding Corp. (net of cash acquired of $2,852)	(318,048)	—	—
Other investing activities	—	(1,397)	—
Net cash used in investing activities	(319,197)	(1,494)	(976)
Financing activities			
Proceeds from senior secured notes	210,000	—	—
Proceeds from revolving line of credit	4,599	—	—
Obligation due to settle the CHS Transaction	6,600	—	—
Payments to settle the CHS Transaction	(2,846)	—	—
Payments on revolving lines of credit and long-term debt	(4,599)	(19,385)	—
Capital contributions	129,502	—	—
Dividend paid			(8,600)
Debt issuance costs	(15,473)	—	—
Net cash provided by (used in) financing activities	327,783	(19,385)	(8,600)
Effect of exchange rate changes on cash and cash equivalents	543	(14)	(1,128)
Change in cash and cash equivalents	35,201	(27,295)	12,483
Cash and cash equivalents at beginning of period	—	30,147	13,402
Cash and cash equivalents at end of period	$ 35,201	$ 2,852	$ 25,885

Thermon Group Holdings, Inc.

Notes to Financial Statements

For the Nine Months Ended December 31, 2010

1. Basis of Presentation

On April 30, 2010, a group of investors led by CHS Capital LLC (f/k/a Code Hennessy & Simmons LLC) ("CHS") and certain management investors acquired Thermon Holdings, Corp. and its subsidiaries from Thermon Holdings, LLC ("Predecessor") for approximately $320.9 million in a transaction that was financed by approximately $129.2 million of equity investments and $210 million of debt raised in an exempt Rule 144A senior secured note offering to qualified institutional investors (the "CHS Transaction"). The proceeds from the equity investments and debt financing were used both to finance the acquisition and pay related transaction costs. As a result of the CHS Transaction, Thermon Group Holdings, Inc. became the ultimate parent of Thermon Holding Corp. Thermon Group Holdings, Inc. and its direct and indirect subsidiaries are referred to collectively as "we", the "Company" or "Successor" herein.

In the CHS Transaction, the senior secured notes were issued by Thermon Finance, Inc., which immediately after the closing of the CHS Transaction was merged into our wholly-owned subsidiary Thermon Industries, Inc.

The CHS Transaction was accounted for as a purchase combination. The purchase price was allocated to the assets acquired based on their estimated fair values, and liabilities assumed were recorded based upon their actual value. The allocation of the assets is preliminary and subject to change as the independent third party appraisal process has commenced but has not been finalized. The Company's management ultimately takes responsibility for valuations assigned to the assets and liabilities assumed in connection with the purchase combination.

Pushdown accounting was employed to reflect the purchase price paid by our new owner.

We have prepared our condensed consolidated financial statements as if Thermon Group Holdings, Inc. had been in existence throughout all relevant periods. The historical financial and other data prior to the closing of the CHS Transaction on April 30, 2010 have been prepared using the historical results of operations and bases of the assets and liabilities of the Predecessor. Our historical financial data prior to May 1, 2010 may not be indicative of our future performance.

The accompanying unaudited consolidated financial statements should be read in conjunction with the consolidated financial statements and notes thereto of Thermon Holdings, LLC for the year ended March 31, 2010. In our opinion, the accompanying consolidated financial statements reflect all adjustments (consisting only of normal recurring items) considered necessary to present fairly our financial position at December 31, 2010 and March 31, 2010, and the results of our operations and the cash flows for the period from May 1 through December 31, 2010, the period from April 1 through April 30, 2010 and the nine month period ended December 31, 2009. Operating results for the period from May 1 through December 31, 2010 and for the period from April 1 through April 30, 2010 are not necessarily indicative of the results that may be expected for the full year ending March 31, 2011. Certain reclassifications have been made to the prior period presentation to conform to the current period presentation. All dollar and share amounts are presented in thousands, unless otherwise noted.

2. New Accounting Pronouncements

In October 2009, the FASB issued an Accounting Standards Update ("ASU") that amended the accounting rules addressing revenue recognition for multiple-deliverable revenue arrangements by

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

2. New Accounting Pronouncements—(continued)

eliminating the criterion for objective and reliable evidence of fair value for the undelivered products or services. Instead, revenue arrangements with multiple deliverables should be divided into separate units of accounting provided the deliverables meet certain criteria. Additionally the ASU provides for elimination of the use of the residual method of allocation and requires that arrangement consideration be allocated at the inception of the arrangement to all deliverables based on their relative selling price. A hierarchy for estimating such selling price is included in the update. This ASU will be effective prospectively for revenue arrangements entered into or materially modified in fiscal years beginning on or after June 15, 2010. Early adoption is permitted. We are currently evaluating whether this update will have an impact on our consolidated financial statements.

3. Net Income (Loss) Per Share

Basic net income (loss) per share is computed by dividing net income by the weighted average number of common shares outstanding during each period. Diluted net income (loss) per share is computed by dividing net income by the weighted average number of common shares and common share equivalents outstanding (if dilutive) during each period. The number of common share equivalents, which include P units, is computed using the treasury stock method.

The basic and diluted net income per share calculations are presented below (in thousands, except for per share amounts):

	For the period From May 1, Through December 31, 2010	For the period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Basic net income (loss) per common share			
Net income (loss)	$ (10,960)	$ (267)	$ 14,728
Weighted-average common shares outstanding	24,887,987	52,253	47,205
Basic net income (loss) per common share	$ (0.44)	$ (5.11)	$ 312.00

(1) Outstanding Class P series units held by certain members of management are contingent on the satisfaction of certain conditions that have not yet been met and therefore are not included in the calculation of the weighted-average shares outstanding for basic net income (loss) per common share.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

3. Net Income (Loss) Per Share—(continued)

	For the period From May 1, Through December 31, 2010	For the period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Diluted net income (loss) per common share			
Net income (loss) used to determine diluted net income (loss) per common share	$ (10,960)	$ (267)	$ 14,728
Weighted-average common shares outstanding	24,887,987	52,253	47,205
Adjustment for incremental shares arising from assumed exercise of Class P units	—	—	5,048
Weighted-average common shares for diluted net income (loss) per share	24,887,987	52,253	52,253
Diluted net income (loss) per common share	$ (0.44)	$ (5.11)(1)	$ 281.86

(1) As the Company was in a net loss position for the period from April 1, through April 30, 2010, there was no dilutive effect on net loss per common share as the Class P units are antidilutive. Therefore, both basic and diluted net loss per common share were $(5.11).

4. Inventories

Inventories consisted of the following:

	December 31, 2010 (Successor)	March 31, 2010 (Predecessor)
Raw materials	$ 9,143	$ 7,451
Work in process	1,669	1,831
Finished goods	18,244	14,725
	29,056	24,007
Valuation reserves	(1,456)	(1,172)
Net inventory	$ 27,600	$ 22,835

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

5. Property, Plant and Equipment

Property, plant and equipment consisted of the following:

	December 31, 2010 (Successor)	March 31, 2010 (Predecessor)
Land, buildings and improvements	$ 14,070	$ 13,437
Machinery and equipment	8,079	11,739
Office furniture and equipment	2,693	2,866
	24,842	28,042
Accumulated depreciation	(1,438)	(5,292)
	$ 23,404	$ 22,750

6. Acquisition, Goodwill and Other Intangible Assets

We were acquired on April 30, 2010 for $320,900 as follows:

Consideration to or on behalf of sellers at close	$ 220,600
Payoff existing debt, interest and bank fees at close	93,700
Accrual for obligations in settlement with seller(1)	6,600
	$ 320,900

(1) Consists of estimated amounts owed to sellers in the CHS Transactions for restricted cash and in satisfaction of the post-closing adjustments for working capital and income taxes, of which $2,846 was paid in the period from May 1 through December 31, 2010 and $3,754 was outstanding at December 31, 2010.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

6. Acquisition, Goodwill and Other Intangible Assets—(continued)

The following table summarizes the fair value of the assets and liabilities assumed:

Assets acquired:	
Cash and cash equivalents	$ 2,852
Accounts receivable, net	40,595
Inventories, net	32,325
Other current assets	10,676
Property, plant and equipment	23,983
Identifiable intangible assets	173,711
Goodwill	115,775
Other noncurrent assets	284
Total assets	400,201
Liabilities assumed:	
Current liabilities	21,281
Other long-term debt	
Noncurrent deferred tax liability	56,757
Other noncurrent liabilities	1,263
Total liabilities	79,301
Purchase price	320,900
Less: cash	(2,852)
Purchase price net of cash	$ 318,048

The push-down accounting effects of the CHS Transaction resulted in an increase in shareholder's equity of approximately $155,421, which we allocated to the historical balance sheet. The following is a summary of the fair value adjustments pushed down to the Company:

	Original Allocation	Adjustments	December 31, 2010 (Successor)
Inventory	$ 7,648	$ —	$ 7,648
Property, plant and equipment	—	1,354	1,354
Identifiable intangible assets	92,533	29,193	121,726
Goodwill	85,598	(19,142)	66,456
Noncurrent deferred tax liability	(30,358)	(11,405)	(41,763)
	$ 155,421	$ —	$ 155,421

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

6. Acquisition, Goodwill and Other Intangible Assets—(continued)

Goodwill for the nine months ended December 31, 2010 is as follows:

Balance at May 1, 2010	$ 134,917
Adjustment of the allocation of fair values	(19,142)
Subtotal	115,775
Foreign currency translation impact	851
Balance at December 31, 2010	$ 116,626

Other intangible assets at December 31, 2010 consist of the following:

	Successor		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks	$ 48,280	$ —	$ 48,280
Developed technology	11,063	449	10,614
Customer relationships	102,425	4,472	97,953
Backlog	10,289	10,289	—
Certification	504	—	504
Other	2,205	210	1,995
Total	$ 174,766	$ 15,420	$ 159,346

The effect of foreign currency translation on the gross carrying amount at December 31, 2010 was $1,055.

Other intangible assets at March 31, 2010 consist of the following:

	Predecessor		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks	$ 27,767	$ —	$ 27,767
Developed technology	6,408	828	5,580
Customer relationships	21,632	5,588	16,044
Backlog	9,770	9,770	—
Certification	521	57	464
Noncompete agreements	464	240	224
Other	58	—	58
Total	$ 66,620	$ 16,483	$ 50,137

At December 31, 2010, approximately $11,626 of the purchase price was held in escrow to secure the Predecessor's indemnification obligations in the event of any breaches of representations and warranties contained in the definitive agreements.

The Company allocates the purchase price in connection with the Acquisition to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

6. Acquisition, Goodwill and Other Intangible Assets—(continued)

excess of the purchase price over these fair values is recorded as goodwill. The Company engaged an independent third-party appraisal firm to assist the Company in determining the fair values of assets acquired and liabilities assumed. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. The Company's management ultimately takes responsibility for valuations assigned to the assets and liabilities assumed in connection with the purchase combination. The significant purchased intangible assets recorded by the Company include trademarks, customer relationships, backlog and developed technology.

Critical estimates in valuing certain intangible assets include, without limitation, future expected cash flows from customer relationships, acquired developed technologies and trademarks and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Other estimates associated with the accounting for acquisitions may change as additional information becomes available regarding the assets acquired and liabilities assumed.

Acquisition-related transaction costs, such as advisory, legal and other professional fees, are not included as a component of consideration transferred, but are accounted for as expenses in the periods in which costs are incurred. Total advisory, legal and other fees incurred by the Company were approximately $37.3 million, of which $7.7 million was expensed in the period from May 1 through December 31, 2010, $13.9 million was incurred and expensed by the Predecessor in the period from April 1, 2010 through April 30, 2010, and the remainder is being capitalized as debt issuance cost.

The Company does not expect goodwill recorded in connection with the Acquisition to be deductible for tax purposes.

7. Accrued Liabilities

Accrued current liabilities consisted of the following:

	December 31, 2010 (Successor)	March 31, 2010 (Predecessor)
Accrued employee compensation and related expenses	$ 7,997	$ 6,171
Warranty reserve	1,041	699
Professional fees	854	1,097
Interest	3,434	280
Taxes payable	724	567
Compliance costs	55	704
Other	2,684	3,987
Total accrued current liabilities	$ 16,789	$ 13,505

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

8. Advance payment

At December 31, 2010, the Company had received a deposit in the amount of $10,289 from a customer in advance of our delivery of products and services. We expect to recognize this revenue upon the delivery of our products and the completion of our services.

9. Related-Party Transactions

We paid management and transaction success fees to, and reimbursed the out of pocket expenses of, our private equity sponsors of $7,696 in the nine months ended December 31, 2010. Of this amount, $736 is included in prepaid expenses, $2,605 was included in deferred debt issuance costs, net, $3,022 is included in success fees to owners related to the CHS Transaction expense, and $1,333 is included in Marketing, general and administrative and engineering expense.

The Predecessor paid management fees and expenses to its private equity sponsor in the one month ended April 30, 2010 of $4,795. Of this amount $79 is included in Marketing, general and administrative and engineering expense and $4,716 is included in Miscellaneous income/expense as it was related to the CHS Transactions. During the nine months ended December 31, 2009, the predecessor paid management fees and expenses of $671 to its private equity sponsor, which is included in Marketing, general and administrative and engineering expense.

See Note 6, Acquisition, Goodwill and Other Intangible Assets for further information regarding payments due to the sellers in the CHS Transactions. Estimated amounts due the sellers are shown as a current liability labeled "Obligations due to settle the CHS Transactions."

10. Short-Term Revolving Lines of Credit

The Company's subsidiary in the Netherlands has a revolving credit facility in the amount of Euro 4,000 (equivalent to $5,256 USD at December 31, 2010) collateralized by receivables, inventory, equipment, furniture and real estate. No loans were outstanding on this facility at December 31, 2010 or 2009.

The Company's subsidiary in India has a revolving credit facility in the amount of 80,000 rupees (equivalent to $1,753 USD at December 31, 2010). The facility is collateralized by receivables, inventory, real estate, a letter of credit, and cash. No loans were outstanding under the facility at December 31, 2010 or 2009.

The Company's subsidiary in Australia has a revolving credit facility in the amount of $325 Australian Dollars (equivalent to $329 USD at December 31, 2010). The facility is collateralized by real estate. The facilities had no loans outstanding as of December 31, 2010 or 2009.

In August 2010, the Company's subsidiary in Japan established a revolving credit facility in the amount of 45,000 Japanese Yen (equivalent to $548 USD at December 31, 2010). The credit facility is collateralized by a standby letter of credit in the amount of $300 issued as part of the revolving credit facility referred to in Note 10. No loans were outstanding under the Japanese revolving credit facility at December 31, 2010.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

11. Long-Term Debt

Long-term debt consisted of the following:

	December 31, 2010 (Successor)	March 31, 2010 (Predecessor)
9.500% Senior Secured Notes, due May 2017	$ 210,000	$ —
Notes payable	—	109,249
	210,000	109,249
Less current portion	—	—
	$ 210,000	$ 109,249

Revolving Credit Facility and Senior Secured Notes

Revolving credit facility. Simultaneously with the closing of the Acquisition and the sale of our senior secured notes, our wholly owned subsidiary, Thermon Industries, Inc., entered into a five-year, $40.0 million senior secured revolving credit facility, which we refer to as our revolving credit facility, of which up to $20.0 million is available to our Canadian subsidiary, subject to borrowing base availability. Availability of funds under our revolving credit facility is determined by a borrowing base equal to the sum of 85% of eligible accounts receivable, plus 60% of eligible inventory, plus 85% of the net orderly liquidation value of eligible equipment, plus 50% of the fair market value of eligible owned real property. In no case shall availability under our revolving credit facility exceed the commitments thereunder. As of December 31, 2010, we had $34.8 million of capacity available under our revolving credit facility after taking into account the borrowing base, outstanding loan advances and letters of credit. In addition to our revolving credit facility, we have various short term revolving lines of credit available to us at our foreign affiliates, and no borrowings were outstanding under any such lines of credit at December 31, 2010.

The revolving credit facility will mature in 2015. Any borrowings on our revolving credit facility will incur interest expense that is variable in relation to the LIBOR rate. Borrowings denominated in Canadian Dollars under the Canadian facility bear interest at a variable rate in relation to the bankers' acceptance rate, as set forth in the revolving credit facility. In addition to paying interest on outstanding borrowings under our revolving credit facility, we are required to pay a 0.75% per annum commitment fee to the lenders in respect of the unutilized commitments thereunder and letter of credit fees equal to the LIBOR margin or the bankers' acceptance rate, as applicable, on the undrawn amount of all outstanding letters of credit. At December 31, 2010, we had no outstanding borrowings under our revolving credit facility. Had there been outstanding borrowings, the interest rate on the facility would have been 5.75%.

Senior secured notes. As of December 31, 2010, we had $210.0 million of indebtedness outstanding under our senior secured notes with annual cash interest expense of approximately $20.0 million. Our senior secured notes mature on May 1, 2017 and accrue interest at a fixed rate of 9.500%. We pay interest in cash semi-annually on May and November 1 of each year. Our senior secured notes were issued in a Rule 144A exempt senior secured note offering to qualified institutional investors. The proceeds were used to fund the purchase price for the Acquisition and related

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

11. Long-Term Debt—(continued)

transaction costs. In January 2011, we consummated an offer to exchange the old restricted senior secured notes for new, SEC-registered senior secured notes.

Guarantees; security. The obligations under our revolving credit facility and our senior secured notes are guaranteed on a senior secured basis by the Company and each of its existing and future domestic restricted subsidiaries, other than Thermon Industries, Inc., the issuer of the senior secured notes. The obligations under our revolving credit facility are secured by a first priority perfected security interest in substantially all of our and the guarantors' assets, subject to certain exceptions, permitted liens and encumbrances reasonably acceptable to the agent under our revolving credit facility. Our senior secured notes and guarantees are also secured by liens on substantially all of our and the guarantors' assets, subject to certain exceptions; provided, however, that the liens are contractually subordinated to the liens thereon that secure our revolving credit facility.

Restrictive covenants. The revolving credit facility and senior secured notes contain various restrictive covenants that include restrictions or limitations on our ability to: incur additional indebtedness or issue disqualified capital stock unless certain financial tests are satisfied; pay dividends, redeem subordinated debt or make other restricted payments; make certain investments or acquisitions; issue stock of subsidiaries; grant or permit certain liens on our assets; enter into certain transactions with affiliates; merge, consolidate or transfer substantially all of our assets; incur dividend or other payment restrictions affecting certain of our subsidiaries; transfer or sell assets, including capital stock of our subsidiaries; and change the business we conduct. However, all of these covenants are subject to exceptions.

As of December 31, 2010, the aggregate market value of our debt, with a face amount of $210 million, was approximately $224 million. At March 31, 2010, the carrying amounts of long-term debt related to obligations of the former owners approximate their fair values due to their variable rates.

Other Financial Assets and Liabilities

Financial assets and liabilities with the carrying amounts approximating fair value include cash and cash equivalents, accounts receivable, other current assets, current debt, accounts payable and other current liabilities.

12. Commitments and Contingencies

At December 31, 2010, the Company had in place letter of credit guarantees from banks securing performance obligations of the Company. These arrangements totaled approximately $5,505 and related to certain sales contracts and local lines of credit for which $2,449 is secured by cash deposits. Included in prepaid expenses and other current assets at December 31, 2010 and March 31, 2010, was approximately $2,449 and $2,066, respectively, of cash deposits pledged as collateral on performance bonds and letters of credit.

The Company is involved in various legal proceedings that arise from time to time in the ordinary course of doing business and believes that adequate reserves have been established for any probable losses. Expenses related to litigation are included in operating income. We do not believe that the

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

12. Commitments and Contingencies—(continued)

outcome of any of these proceedings would have a significant adverse effect on our financial position, long-term results of operations, or cash flows. It is possible, however, that charges related to these matters could be significant to our results or cash flows in any one accounting period.

The Company has no outstanding legal matters outside of matters arising in the ordinary course of business, except as described below.

Asbestos Litigation—Since 1999, we have been named as one of many defendants in 16 personal injury suits alleging exposure to asbestos from our products. None of the cases alleges premises liability. Six cases are currently pending. Insurers are defending us in three of the six lawsuits, and we expect that an insurer will defend us in the remaining three matters. Of the concluded suits, there were five cost of defense settlements and the remainder were dismissed without payment. There are no claims unrelated to asbestos exposure for which coverage has been sought under the policies that are providing coverage.

Indian Sales Tax and Customs Disputes—Our Indian subsidiary is currently disputing assessments of administrative sales tax and customs duties with Indian tax and customs authorities. In addition, we currently have a customs duty case before the Supreme Court in India, on appeal by custom authorities.

We can give no assurances we will prevail in any of these matters.

Warranty Reserve—Changes in the Company's product liability reserve are as follows:

	For the Period From May 1, Through December 31, 2010 (Successor)	For the Period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Balance at beginning of period	$ 1,057	$ 699	$ 975
Provision for warranties issued	604	19	539
Reclassification of other liabilities	—	339	—
Changes in estimates	—	—	(807)
Settlements	(620)	—	(223)
Balance at end of period	$ 1,041	$ 1,057	$ 484

13. Shareholder's Equity/Members' Equity

We have 24,933,407 shares of $0.001 par value common stock issued and outstanding. All of our outstanding shares of common stock are held by our sponsors and certain of our current and former employees and directors.

14. Stock-Based Compensation Expense

On October 20, 2010 and October 27, 2010, our board of directors granted employees options to purchase 2,648,424 shares of our common stock, each with an exercise price of $5.20 per share, pursuant to the terms of our existing restricted stock and stock option plan. The options are for the purchase of shares of common stock of our ultimate parent entity, Thermon Group Holdings, Inc. All

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

14. Stock-Based Compensation Expense—(continued)

such options become eligible for vesting in five equal tranches, with the portion of each tranche that vests determined by the board of directors based on the attainment of annual performance objectives established by the board of directors. Accordingly, the Company will estimate the likelihood of vesting based on its periodic performance. Any portion of the shares eligible for vesting that do not vest based on the attainment of such performance objectives shall be added to the number of shares eligible to vest on the next scheduled vesting date, subject to the participant's continuous employment. All shares subject to such options shall vest on the seventh anniversary of the grant date if the participant remains continuously employed by us and our outstanding equity securities attain a specified fair value as of such vesting date. Pursuant to the outstanding stock option agreements, we have the right to repurchase any shares acquired on exercise of the option at fair market value following termination of the optionee's employment for death, disability or termination without cause. For all other termination events, we have the right to repurchase the shares acquired on exercise of the option at the lower of fair market value or the exercise price. Fair market value is determined by our board of directors in good faith.

The Company determined that vesting in fiscal year 2011 was likely and therefore recorded its initial stock-based compensation expense of $685 during the nine months ended December 31, 2010. As of December 31, 2010, the estimated unrecognized stock-based compensation expense for the remainder of fiscal 2011 will be $622. To arrive at this estimate, the Company used a Black-Scholes option pricing model to estimate the fair value of the options granted. Due to the fact that the common stock underlying the options is not publicly traded, the expected volatility is based on a comparable group of companies. The expected term is based on the simplified method due to the lack of historical exercise data. The risk-free rate for periods within the contractual life of the option is based on the Treasury bill coupon rate for U.S. Treasury securities with a maturity that approximates the expected term. We do not intend to pay dividends on our common stock for the foreseeable future, and accordingly we used a dividend yield of zero. The estimated fair value of the underlying stock at time of grant was $5.20 per share. By using an estimated volatility of 45%, life of option of 6.66 years, risk free rate of 2.02% and no dividend assumption, the weighted-average estimated grant date fair value for employee stock options granted was $2.47 per share during the three and eight months ended December 31, 2010. No stock options were granted in a prior period presented.

As indicated in Note 18. Subsequent Event, our ultimate parent entity, Thermon Group Holdings, Inc., has indicated that it is pursuing an initial public offering. Pursuant to the outstanding stock option agreements, all outstanding option awards shall vest and become exercisable immediately prior to an initial public offering. In the event that the offering is completed, we will record stock-based compensation expense for all unvested outstanding option awards in the period in which the offering is completed.

During the nine months ended December 31, 2010, Thermon Group Holdings, Inc., issued 9,623 shares of common stock to an employee of one of our foreign subsidiaries under our restricted stock and stock option plan. The fair value of the stock at the time of the award was $5.20 per share. Accordingly, we recorded stock-based compensation expense of $50,000.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

15. Miscellaneous Income (Expense)

Miscellaneous income (expense) is as follows:

	For the Period From May 1, Through December 31, 2010 (Successor)	For the Period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Professional fees and expenses related to CHS Transactions	$ (4,662)	$ (5,660)	$ (312)
Employee bonus payments paid in connection with CHS Transactions	—	(3,545)	—
Changes in estimates for compliance fees and costs	600	—	—
Losses on foreign currency transactions	(566)		(303)
Other	(39)	304	(266)
Total	$ (4,667)	$ (8,901)	$ (881)

16. Income Taxes

Our anticipated annual effective tax rate of approximately (3.9%) has been applied to our consolidated pre-tax loss for the period from May 1, 2010 through December 31, 2010. This tax rate is less than the U.S. statutory rate primarily due to the amount of buyer's expenses incurred in connection with the CHS Transactions that is estimated to be nondeductible, valuation reserves taken against our anticipated foreign tax credit and other carryforwards for U. S. taxation purposes, and differences between foreign and U.S. tax rates. For the period from April 1 through April 30, 2010 of the Predecessor, an income tax benefit of approximately $17,434 was recorded as a pre-tax loss. In connection with the CHS Transactions, the Canadian debt facility was repaid releasing a deferred tax liability of $14,945. Without the benefit of the deferred tax reversal related to the Canadian debt facility, the benefit rate amounted to approximately 14.1%. This benefit rate was increased by foreign tax credits and exchange losses associated with repatriated earnings and decreased by the amount of sellers' expense stemming from the CHS Transactions that is anticipated to be non-deductible.

For the nine months ended December 31, 2009 of the Predecessor, the anticipated annual effective tax rate applied to pre-tax income was approximately 45.6%. The effective tax rate was higher than the U.S. statutory rate due to the borrowings that were outstanding under the Canadian debt facility.

During the three and eight months ended December 31, 2010, we established a long-term liability for uncertain tax positions in the amount of $1,225 in connection with the CHS Transactions to account for the differences in recognition thresholds and attribute measurement for purposes of financial statement disclosure as compared to tax positions taken or expected to be taken on a tax return. All of our unrecognized tax benefits at December 31, 2010 would affect our effective income tax rate if recognized. The nature of the uncertainty relates to deductions taken or to be taken on tax returns that have not been examined by the applicable tax authority. There was no difference between the beginning and ending amount of unrecognized tax benefit for the period from May 1, 2010 through December 31, 2010.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

17. Geographic Information

We have defined our operating segment based on geographic regions. We sell our products in two geographic regions. Our sales in these regions share similar economic characteristics, similar product mix, similar customers and similar distribution methods. Accordingly we have elected to aggregate these two geographic regions into a single operating segment. Revenue from the sale of our products which are similar in nature and revenue from construction and engineering are reflected as sales in our consolidated statement of operations.

Within its operating segment, the Company has provided further detail for those countries or regions that generate significant revenue and operating income. For purposes of this note, revenue is attributed to individual countries on the basis of the physical location and jurisdiction of organization of the subsidiary that invoices the material and services.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

17. Geographic Information—(continued)

Total sales and operating income classified by major geographic area in which the Company operates are as follows:

	For the Period From May 1, Through December 31, 2010 (Successor)	For the Period From April 1, Through April 30, 2010 (Predecessor)	Nine Months Ended December 31, 2009 (Predecessor)
Sales by geographic area:			
Western hemisphere			
United States	$ 46,082	$ 4,959	$ 45,393
Canada	55,369	3,992	41,035
Elsewhere in the western hemisphere	697	25	696
Intercompany sales	34,784	3,850	32,342
	136,932	12,826	119,466
Eastern hemisphere:			
Europe	44,719	2,970	38,521
Asia	19,038	1,117	17,260
Intercompany sales	105	51	—
	63,862	4,138	55,781
Eliminations of intercompany sales	(34,889)	(3,901)	(32,342)
	165,905	13,063	142,905
Operating income			
Western hemisphere			
United States	(281)	1,126	12,593
Canada	10,400	1,066	11,545
Elsewhere in the western hemisphere	148	(30)	(316)
Eastern hemisphere:			
Europe	3,108	125	7,214
Asia	2,819	18	3,174
Unallocated:			
Management fees	(1,333)	(79)	(671)
Other	(104)	(88)	(173)
	$ 14,757	$ 2,138	$ 33,366

18. Subsequent Events

Initial Public Offering

On February 2, 2011, we announced that we had filed a registration statement with the Securities and Exchange Commission relating to a proposed initial public offering of our common stock. The number of shares to be offered and the price range for the offering have not yet been determined. The

18. Subsequent Events—(continued)

shares of common stock to be sold in the offering are expected to be offered by us and certain of our stockholders.

19. Guarantor Consolidation

The senior secured notes issued by Thermon Industries, Inc., our wholly-owned subsidiary, are guaranteed by the Company and our other existing, wholly-owned domestic subsidiaries: Thermon Manufacturing Company, Thermon Heat Tracing Services, Inc., Thermon Heat Tracing Services-I, Inc. and Thermon Heat Tracing Services-II, Inc. (collectively, the "Guarantors"). Our foreign subsidiaries (collectively, the "Non-Guarantors") are not guarantors of the senior secured notes.

The following tables set forth financial information of the Guarantors and Non-Guarantors for the condensed consolidated balance sheets as of December 31, 2010 and March 31, 2010 (Predecessor), the condensed consolidated statements of operations for the period from May 1, 2010 through December 31, 2010, the period from April 1 through April 30, 2010 (Predecessor) and for the nine month periods ended December 31, 2009 (Predecessor) and the condensed consolidated statements of cash flows for the period from May 1 through December 31, 2010, the period from April 1 through April 30, 2010 (Predecessor) and the three and nine month period ended December 31, 2009 (Predecessor). The information is presented on the equity method of accounting together with elimination entries necessary to reconcile to the consolidated financial statements.

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Balance Sheet

(Unaudited)

	December 31, 2010						
	Thermon Group Holdings, Inc.	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and US Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Assets							
Current assets:							
Cash and cash equivalents	$ 250	$ —	$ —	$ 5,409	$ 29,542	$ —	$ 35,201
Accounts receivable, net	—	—	—	17,714	34,510	(5,151)	47,073
Notes and other	—	—	—	2,425	2,327	(4,752)	—
Inventories, net	—	—	—	13,959	15,310	(1,669)	27,600
Costs and estimated earnings in excess of billings on uncompleted contracts	—	—	—	762	483	—	1,245
Income taxes receivable	—	—	—	1,913	86	—	1,999
Prepaid expenses and other current assets	—	736	—	840	5,858	449	7,883
Deferred Income taxes	—	—	—	1,125	296	—	1,421
Total current assets	250	736	—	44,147	88,412	(11,123)	122,422
Property, plant and equipment, net	—	—	—	16,079	7,325	—	23,404
Goodwill	—	—	—	46,131	70,495	—	116,626
Intangible assets, net	—	1,997	—	79,314	78,035	—	159,346
Debt Issuance costs, net	—	—	12,263	—	—	—	12,263
Intercompany loans	—			130	—	(130)	—
Investment in subsidiaries	118,939	116,206	212,567	105,758	—	(553,469)	—
	$ 119,189	$ 118,939	$ 224,830	$ 291,558	$ 244,267	$ (564,722)	$ 434,061
Liabilities and shareholder's equity							
Current liabilities:							
Accounts payable	$ —	$ —	$ —	$ 7,922	$ 13,535	$ (5,138)	$ 16,319
Accrued liabilities	—	—	3,381	6,832	8,113	(1,537)	16,789
Deferred revenue	—	—	—	—	10,248	—	10,248
Obligations in settlement of the CHS Transaction	—	—	—	3,754	—	—	3,754
Billings in excess of costs and estimated	—						
Earnings on uncompleted contracts	—	—	—	—	—	—	—
Income taxes							

Income taxes payable (receivable)	—	—	—	(4,043)	4,172	—	129
Foreign revolving credit facilities	—	—	10,318	(7,137)	177	(3,358)	—
Total current liabilities	—	—	13,699	7,328	36,245	(10,033)	47,239
Long-term debt, net of current maturities	—	—	210,000	—	—	—	210,000
Deferred Income taxes	—	—	—	35,009	19,608	(701)	53,916
Other noncurrent liabilities	—	—	—	1,230	614	—	1,844
Shareholder's equity	119,189	118,939	1,131	247,991	187,800	(553,988)	121,062
	$ 119,189	$ 118,939	$ 224,830	$ 291,558	$ 244,267	$ (564,722)	$ 434,061

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Balance Sheet—(continued)

(Unaudited)

	March 31, 2010 (Predecessor)							
	Thermon Group Holdings, Inc.	Thermon Holdings, Corp. LLC	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and US Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Assets								
Current assets:								
Cash and cash equivalents	$ —	$ —	$ —	$ —	$ 4,692	$ 25,455	$ —	$ 30,147
Accounts receivable, net	—	—	—	—	15,829	30,472	(4,419)	41,882
Notes and other	—	—	—	—	3,024	3	(3,024)	3
Inventories, net	—	—	—	—	10,666	13,531	(1,362)	22,835
Costs and estimated earnings in excess of billings on uncompleted contracts	—	—	—	—	1,209	427	—	1,636
Income taxes receivable	—	—	—	—	1,098	270	—	1,368
Prepaid expenses and other current assets	—	—	—	—	1,633	2,291	407	4,331
Deferred Income taxes	—	—	—	—	1,125	303	—	1,428
Total current assets	—	—	—	—	39,276	72,752	(8,398)	103,630
Property, plant and equipment, net	—	—	—	—	15,366	7,384	—	22,750
Goodwill	—	—	—	—	15,404	26,609	—	42,013
Intangible assets, net	—	—	—	—	12,858	37,279	—	50,137
Debt Issuance costs, net	—	—	—	—	1,545	1,041	—	2,586
Intercompany loans	—		56,000	56,000	335	—	(112,335)	—
Investment in subsidiaries	—	55,074	55,074	28,409	63,467	—	(202,024)	—
	$ —	$ 55,074	$ 111,074	$ 84,409	$ 148,251	$ 145,065	$ (322,757)	$ 221,116
Liabilities and shareholder's equity								
Current liabilities:								
Accounts payable	$ —	$ —	$ —	$ —	$ 4,232	$ 9,001	$ (3,836)	$ 9,397
Accrued liabilities	—	—	—	—	6,671	9,262	(2,428)	13,505
Billings in excess of costs and estimated	—							
Earnings on uncompleted contracts	—	—	—	—	1,035	—	—	1,035
Income taxes payable (receivable)	—	—	—	—	182	1,976	—	2,158
Foreign revolving credit								

facilities	—	—	—	—	1,155	358	(1,513)	—
Deferred income tax	—	—	—	—	138		—	138
Total current liabilities	—	—	—	—	13,413	20,597	(7,777)	26,233
Long-term debt, net of current maturities	—	—	56,000	—	—	53,249	—	109,249
Intercompany debt	—	—	—	56,000	56,000	—	(112,000)	—
Deferred Income taxes	—	—	—	—	21,861	8,144	—	30,005
Other noncurrent liabilities	—	—	—	—	—	555	—	555
Shareholder's equity	—	55,074	55,074	28,409	56,977	62,520	(202,980)	55,074
	$ —	$ 55,074	$ 111,074	$ 84,409	$ 148,251	$ 145,065	$ (322,757)	$ 221,116

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Operations

(Unaudited)

	For the Period From May 1, 2010 Through December 31, 2010						
	Thermon Group Holdings, Inc.	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantors)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ 80,866	$ 119,928	$ (34,889)	$ 165,905
Cost of sales	—	—	—	55,855	77,776	(34,836)	98,795
Gross profit	—	—	—	25,011	42,152	(53)	67,110
Operating expenses:	—						
Marketing, general and administrative and engineering	—	1,044	—	18,701	17,482	—	37,227
Amortization of other intangible assets	—	210	—	6,721	8,195	—	15,126
Income (loss) from operations	—	(1,254)	—	(411)	16,475	(53)	14,757
Other income/(expenses):	—						
Equity in earnings of subsidiaries	—	(6,055)	6,805	6,994	—	(7,744)	—
Interest income	—	—	—	1	9	—	10
Interest expense	—	—	(16,820)	(195)	(96)	—	(17,111)
Miscellaneous income/(expense)	—	(5,524)	(461)	3,429	(5,133)	—	(7,689)
Income (loss) before provision for income taxes	—	(12,833)	(10,476)	9,818	11,255	(7,797)	(10,033)
Income tax benefit (expense)	—	—	—	3,290	(4,187)	(30)	(927)
Net income (loss)	$ —	$ (12,833)	$ (10,476)	$ 13,108	$ 7,068	$ (7,827)	$ (10,960)

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Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Operations—(continued)

(Unaudited)

	For the Period From April 1, 2010 Through April 30, 2010 (Predecessor)							
	Thermon Group Holdings, Inc.	Thermon Holdings, LLC	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantors)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ —	$ 8,621	$ 8,342	$ (3,900)	$ 13,063
Cost of sales	—	—	—	—	5,223	5,027	(3,803)	6,447
Gross profit	—	—	—	—	3,398	3,315	(97)	6,616
Operating expenses:	—							
Marketing, general and administrative and engineering	—	—	—	—	2,304	1,959	—	4,263
Amortization of other intangible assets	—	—	—	—	38	177	—	215
Income (loss) from operations	—	—	—	—	1,056	1,179	(97)	2,138
Other income/(expenses):	—							
Equity in earnings of subsidiaries	—	(267)	7,689	11,780	(307)	—	(18,895)	—
Interest income	—	—	—	—	1	6	—	7
Interest expense	—	—	(1,245)	—	(3,404)	(1,580)	—	(6,229)
Miscellaneous income/(expense)	—	—	(6,711)	(3,080)	(2,076)	(1,750)	—	(13,617)
	—	(267)	(267)	8,700	(5,786)	(3,324)	(18,895)	(19,839)
Income (loss) before provision for income taxes	—	(267)	(267)	8,700	(4,730)	(2,145)	(18,992)	(17,701)
Income tax benefit (expense)	—	—	—	—	17,063	341	30	17,434
Net income (loss)	$ —	$ (267)	$ (267)	$ 8,700	$ 12,333	$ (1,804)	$ (18,962)	$ (267)

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Operations—(continued)

(Unaudited)

	For the Nine Months Ended December 31, 2009 (Predecessor)							
	Thermon Group Holdings, Inc.	Thermon Holdings, LLC	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantors)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Revenues	$ —	$ —	$ —	$ —	$ 77,734	$ 97,512	$ (32,341)	$ 142,905
Cost of sales	—	—	—	—	50,063	56,072	(32,169)	73,966
Gross profit	—	—	—	—	27,671	41,440	(172)	68,939
Operating expenses:								
Marketing, general and administrative and engineering	—	—	—	—	15,410	18,360	—	33,770
Amortization of other intangible assets	—	—	—	—	340	1,463	—	1,803
Income (loss) from operations	—	—	—	—	11,921	21,617	(172)	33,366
Other income/(expenses):								
Equity in earnings of subsidiaries	—	14,728	14,728	10,064	5,523	—	(45,043)	—
Interest income	—	—	3,094	3,094	38	16	(6,188)	54
Interest expense	—	—	(3,094)	(3,094)	(3,094)	(2,476)	6,188	(5,570)
Miscellaneous income/(expense)	—	—	—	—	3,461	(4,341)	(1)	(881)
Income (loss) before provision for income taxes	—	14,728	14,728	10,064	17,849	14,816	(45,216)	26,969
Income tax benefit (expense)	—	—	—	—	(7,785)	(4,530)	74	(12,241)
Net income (loss)	$ —	$ 14,728	$ 14,728	$ 10,064	$ 10,064	$ 10,286	$ (45,142)	$ 14,728

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Cash Flows

(Unaudited)

	For the Period May 1, 2010 Through December 31, 2010						
	Thermon Group Holdings, Inc.	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by (used in) operations	$ —	$ (6,570)	$ (217)	$ 6,566	$ 26,262	$ 31	$ 26,072
Investing activities							
Purchases of P.P.&E.	—		—	(884)	(265)	—	(1,149)
Cash paid for Thermon	129,252	(172,631)	(145,417)	—	—	129,252	(318,048)
Net cash provided by (used in) investing activities	129,252	(172,631)	(145,417)	(884)	(265)	129,252	(319,197)
Financing activities							
Proceeds from Senior Secured Notes	—	—	210,000	—	—	—	210,000
Proceeds from revolving line of credit	—		—	2,000	2,599	—	4,599
Obligation on in settlement of the CHS Transaction	—	—	—	6,600	—	—	6,600
Payments to settle the CHS Transaction	—	—	—	(2,846)	—	—	(2,846)
Payments on revolving lines of credit and long-term debt	—	—	—	(2,000)	(2,599)	—	(4,599)
Capital contributions	129,502	129,252	—	—	—	129,252	129,502
Debt issuance costs	—	—	(15,473)	—	—	—	(15,473)
Change in affiliate debt	—	49,949	(48,893)	(4,027)	3,002	(31)	—
Net cash provided by (used in) financing activities	129,502	179,201	145,634	(273)	3,002	(129,283)	327,783
Effect of exchange rates on cash and cash equivalents	—	—	—	—	543	—	543
	—						
Change in cash and cash equivalents	250	—	—	5,409	29,542	—	35,201
Cash at beginning of period	—	—	—	—	—	—	—
Cash at End of period	$ 250	$ —	$ —	$ 5,409	$ 29,542	$ —	$ 35,201

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Cash Flows—(continued)

(Unaudited)

	For the Period From April 1 Through April 30, 2010 (Predecessor)							
	Thermon Group Holdings, Inc.	Thermon Holdings, LLC	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by (used in) operations	$ —	$ —	$ (55)	$ —	$ (1,118)	$ (1,892)	$ (3,337)	$ (6,402)
Investing activities								
Purchases of P.P.&E.	—	—	—	—	(15)	(82)	—	(97)
Other investing transactions	—	—	(1,399)	—	—	2		(1,397)
Net cash provided by (used in) investing activities	—	—	(1,399)	—	(15)	(80)	—	(1,494)
Financing activities								
Payments on debt	—	—	(4,857)	—	—	(14,528)		(19,385)
Payment of Intercompany dividends	—	—	—	—	—	(2,543)	2,543	—
Change in affiliate debt	—	—	6,311	—	(3,482)	(3,623)	794	—
Net cash provided by (used in) financing activities	—	—	1,454	—	(3,482)	(20,694)	3,337	(19,385)
Effect of exchange rates on cash and cash equivalents	—	—	—	—	—	(14)	—	(14)
Change in cash and cash equivalents	—	—	—	—	(4,615)	(22,680)	—	(27,295)
Cash at beginning of period	—	—	—	—	4,692	25,455	—	30,147
Cash at End of period	$ —	$ —	$ —	$ —	$ 77	$ 2,775	$ —	$ 2,852

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

19. Guarantor Consolidation—(continued)

Thermon Group Holdings, Inc.

Condensed Statement of Cash Flows—(continued)

(Unaudited)

	For the Nine Months Ended December 31, 2009 (Predecessor)							
	Thermon Group Holdings, Inc.	Thermon Holdings, LLC	Thermon Holding, Corp. (Guarantor)	Thermon Industries, Inc. (Issuer)	Thermon Manufacturing Company and U.S. Subsidiaries (Guarantor)	International Subsidiaries (Non-guarantors)	Eliminations	Consolidated
Net cash provided by (used in) operations	$ —	$ 8,600	$ 8,600	$ 8,600	$ 9,666	$ 16,282	$ (28,561)	$ 23,187
Investing activities								
Purchases of P.P.&E.	—	—	—	—	(671)	(305)	—	(976)
Net cash provided by (used in) investing activities	—	—	—	—	(671)	(305)	—	(976)
Financing activities								
Dividend paid to owners'	—	(8,600)	—	—	—	—	—	(8,600)
Payment of Intercompany Dividends	—	—	(8,600)	(8,600)	(8,600)	(2,854)	28,654	—
Change in affiliate debt	—	—	—	—	(182)	275	(93)	—
Net cash provided by (used in) financing activities	—	(8,600)	(8,600)	(8,600)	(8,782)	(2,579)	28,561	(8,600)
Effect of exchange rates on cash and cash equivalents	—	—	—	—	—	(1,128)	—	(1,128)
Change in cash and cash equivalents	—	—	—	—	213	12,270	—	12,483
Cash at beginning of period	—	—	—	—	5,912	7,490	—	13,402
Cash at End of period	$ —	$ —	$ —	$ —	$ 6,125	$ 19,760	$ —	$ 25,885

Thermon Group Holdings, Inc.

Notes to Financial Statements—(continued)

For the Nine Months Ended December 31, 2010

Note 20. Subsequent Events

March 31, 2011 Increase in Authorized Shares and Stock Split

On March 31, 2011, the Successor's Board of Directors approved an increase in the number of authorized shares to 150,000,000 shares of common stock and a 192.458681-to-one split of the Successor's issued and outstanding common stock. The increase in the authorized shares and the stock split became effective on March 31, 2011. All common share and per common share amounts in these consolidated financial statements and notes to consolidated financial statements have been restated to reflect the 192.458681-to-one split for the period from May 1 through December 31, 2010, but not for the period from April 1 through April 30, 2010, as the capital structures of the Predecessor and Successor are substantially different and the reported per common share amounts are not comparable.

Redemption of Senior Secured Notes

On March 30, 2011, we gave notice to the holders of our senior secured notes that, in accordance with the terms of our senior secured note indenture, we will be redeeming $21.0 million aggregate principal amount of the $210.0 million outstanding principal amount at a redemption price equal to 103% of the principal amount redeemed, plus accrued and unpaid interest to the redemption date, on April 29, 2011.

Control Devices and Systems

Engineering, Installation and Maintenance Services

Comprehensive Solutions for Complex Projects

Heater Cables and Tubing Bundles

10,000,000 Shares

Thermon Group Holdings, Inc.

Common Stock

Prospectus

, 2011

Barclays Capital

Jefferies

William Blair & Company

BMO Capital Markets

KeyBanc Capital Markets

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth the estimated expenses payable by us in connection with the sale and distribution of the securities registered hereby, other than the underwriting discounts or commissions. All amounts are estimates except for the SEC registration fee and the Financial Industry Regulatory Authority filing fee.

SEC Registration Fee	$ 18,693
FINRA Filing Fee	$ 16,600
Stock Exchange Listing Fee	$ 163,000
Printing Fees and Expenses	$ 150,000
Accounting Fees and Expenses	$ 250,000
Roadshow Expenses	$ 200,000
Legal Fees and Expenses	$ 1,200,000
Blue Sky Fees and Expenses	$ 25,000
Transfer Agent Fees and Expenses	$ 16,550
Miscellaneous	$ 460,157
Total:	$ 2,500,000

Item 14. Indemnification of Directors and Officers.

Delaware General Corporation Law. Under the Section 145 of the Delaware General Corporation Law, which we refer to as the DGCL, a corporation may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding (i) if such person acted in good faith and in a manner that person reasonably believed to be in or not opposed to the best interests of the corporation and (ii) with respect to any criminal action or proceeding, if he or she had no reasonable cause to believe such conduct was unlawful. In actions brought by or in the right of the corporation, a corporation may indemnify such person against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner that person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification may be made in respect of any claim, issue or matter as to which that person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery of the State of Delaware or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which the Court of Chancery or other such court shall deem proper. To the extent that such person has been successful on the merits or otherwise in defending any such action, suit or proceeding referred to above or any claim, issue or matter therein, he or she is entitled to indemnification for expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith. The indemnification and advancement of expenses provided for or granted pursuant to Section 145 of the DGCL is not exclusive of any other rights of indemnification or advancement of expenses to which those seeking indemnification or advancement of

expenses may be entitled, and a corporation may purchase and maintain insurance against liabilities asserted against any former or current, director, officer, employee or agent of the corporation, or a person who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, whether or not the power to indemnify is provided by the statute.

Section 102(b)(7) of the DGCL permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for any breach of the director's duty of loyalty to the corporation or its stockholders, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, for unlawful payments of dividends or unlawful stock repurchases, redemptions or other distributions, or for any transaction from which the director derived an improper personal benefit. Our second amended and restated certificate of incorporation provides for such limitation of liability.

Certificate of Incorporation. Article X of our second amended and restated certificate of incorporation provides that we shall, to the fullest extent authorized by the DGCL, indemnify any person made, or is threatened to be made or otherwise involved in, a party to any action, suit or proceeding (whether civil, criminal or otherwise) by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Company. We may, by action of our board of directors, provide indemnification to employees and agents of the Company to such extent and to such effect as our board of directors shall determine to be appropriate and authorized by the DGCL. Article X of our second amended and restated certificate of incorporation also provides that no director of the Company shall be personally liable to the Company or our stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Company or our stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL, or (iv) for any transaction from which the director derived an improper personal benefit.

Bylaws. Article VII of our amended and restated bylaws provides that we shall, to the fullest extent permitted by law, indemnify any person made or threatened to be made a party or is otherwise involved in any action, suit or proceeding (whether civil, criminal or otherwise) by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the Company or is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture or other enterprise. We may, by action of our board of directors, provide indemnification to such employees and agents of the Company to such extent and to such effect as our board of directors shall determine to be appropriate and authorized by Delaware law.

Indemnification Agreements. In addition to the provisions of the second amended and restated certificate of incorporation and amended and restated bylaws described above, we will enter into indemnification agreements with our directors and certain officers to indemnify such directors and officers to the fullest extent permitted by our second amended and restated certificate of incorporation and amended and restated bylaws.

D&O Insurance. We maintain standard policies of insurance under which coverage is provided to our directors and officers against loss rising from claims made by reason of breach of duty or other wrongful act, and to us with respect to payments which may be made by us to such officers and directors pursuant to the above indemnification provision or otherwise as a matter of law.

Securityholder Agreement. Section 5.3 of the Securityholder Agreement provides that the Company shall, to the extent allowable under applicable law, indemnify our directors from any loss, cost, liability

or expense that may be imposed upon or reasonably incurred by such directors in connection with or resulting from any claim, action, suit or proceeding to which he or she may be a party or in which he or she may be involved by reason of any action or failure to act and against and from any and all amounts paid by him or her in satisfaction of judgment in such action, suit, or proceeding against him or her.

Item 15. Recent Sales of Unregistered Securities.

Since the incorporation of Thermon Group Holdings, Inc. in March 2010, the registrant has issued the following securities that were not registered under the Securities Act (after giving effect to our 192.458681-for-one split of our common stock effective as of March 31, 2011):

In connection with the registrant's April 30, 2010 acquisition of all of the outstanding capital stock of Thermon Holding Corp. from Thermon Holdings, LLC, the management investors and the sponsors acquired an aggregate of 24,875,669 shares of our common stock for $129,252,000. See "Certain Relationships and Related Party Transactions—The CHS Transactions". These shares were issued in reliance on the exemption provided by Section 4(2) of the Securities Act.

In October 2010, we sold 28,869 shares to one of our directors, Mr. Charles A. Sorrentino, for $150,000. These shares were issued in reliance on the exemption provided by Section 4(2) of the Securities Act. We also granted stock options under the 2010 Equity Plan to purchase an aggregate of 2,648,402 shares of common stock to our employees and directors and issued 9,623 shares of common stock under the 2010 Equity Plan to one of our employees.

In December 2010, we sold 19,246 shares of our common stock to one of our directors, Mr. Richard E. Goodrich, for $100,000. These shares were issued in reliance on the exemption provided by Section 4(2) of the Securities Act.

On March 1, 2011, we granted options under the 2010 Equity Plan to purchase an aggregate of 109,122 shares of common stock to our employees.

On March 31, 2011, we issued additional shares of our common stock pursuant to a 192.458681-for-one split of our common stock.

Concurrently with the pricing of this offering, we intend to grant to our executive officers and certain other employees options under our LTIP to purchase 122,000 shares of our common stock with an exercise price equal to the initial public offering price from the shares of common stock reserved for issuance under our equity incentive plans.

All shares described in this Item 15 are deemed restricted securities for purposes of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

Exhibits

Certain of the agreements included as exhibits to this prospectus contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties have been made solely for the benefit of the other parties to the applicable agreement and:

- should not in all instances be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate;
- have been qualified by disclosures that were made to the other party in connection with the negotiation of the applicable agreement, which disclosures are not necessarily reflected in the agreement;

- may apply standards of materiality in a way that is different from what may be viewed as material to you or other investors; and
- were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement and are subject to more recent developments.

The registrants acknowledge that, notwithstanding the inclusion of the foregoing cautionary statements, they are responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this registration statement not misleading.

Exhibit Numbers	Description
1.1	Form of Underwriting Agreement
2.1	Stock Purchase Agreement, dated as of March 26, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.2	First Amendment to the Stock Purchase Agreement, dated as of April 28, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.2 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.3	Amendment to the Stock Purchase Agreement, dated as of July 12, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.4	Agreement and Plan of Merger, dated as of April 30, 2010, among Thermon Finance, Inc. and Thermon Industries, Inc. (incorporated by reference to Exhibit 2.4 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.5	Form of Certificate of Ownership and Merger merging Thermon Group, Inc. with and into Thermon Group Holdings, Inc.†
3.1	Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc.†
3.2	Bylaws of Thermon Group Holdings, Inc.†
3.3	Certificate of Amendment dated March 31, 2011 to Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc.†
3.4	Form of Second Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc. to become effective immediately prior to the consummation of this offering†
3.5	Form of Amended and Restated Bylaws of Thermon Group Holdings, Inc. to become effective immediately prior to the consummation of this offering†
4.1	Specimen Common Stock Certificate†

Exhibit Numbers	Description
4.2	Indenture, dated as of April 30, 2010, between Thermon Finance, Inc., as issuer, and The Bank of New York Mellon Trust Company, N.A., as trustee and collateral agent (incorporated by reference to Exhibit 4.1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
4.3	First Supplemental Indenture, dated as of April 30, 2010, among Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.), as issuer, the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee and collateral agent (incorporated by reference to Exhibit 4.2 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
4.4	Form of 9.500% Senior Secured Note due 2017 (incorporated by reference to Exhibit 4.3 to Amendment No. 3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed November 22, 2010)
5.1	Opinion of Sidley Austin LLP
10.1	Credit Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein (including Thermon Holding Corp.), General Electric Capital Corporation, as US agent for the several financial institutions from time to time party thereto with a US revolving loan commitment and for itself as a US lender (including as US swingline lender), GE Canada Holding Finance Company, as Canadian agent for the several financial institutions from time to time party thereto with a Canadian revolving loan commitment, Bank of Montreal, as documentation agent for the lenders and for itself as a lender, and KeyBank National Association, as syndication agent for the lenders and for itself as a lender, and such other lenders party thereto (incorporated by reference to Exhibit 10.1 to Amendment No. 3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed November 22, 2010)**
10.2	First Amendment to Credit Agreement, dated as of November 30, 2010, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein, General Electric Capital Corporation, as US agent and a lender, GE Canada Holding Financing Company, as Canadian agent and a lender, and the other lenders party thereto (incorporated by reference to Exhibit 10.2 to Amendment No. 5 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed December 13, 2010)
10.3	Second Amendment to Credit Agreement, dated as of April 12, 2011, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein, General Electric Capital Corporation, as US agent and a lender, GE Canada Holding Financing Company, as Canadian agent and a lender, and the other lenders party thereto
10.4	First Lien Guaranty and Security Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., the other U.S. Credit Parties named therein and General Electric Capital Corporation, as U.S. agent (incorporated by reference to Exhibit 10.2 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)

Exhibit Numbers	Description
10.5	Second Lien Security Agreement, dated as of April 30, 2010, among Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.), the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as collateral agent (incorporated by reference to Exhibit 10.3 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)
10.6	Intercreditor Agreement, dated as of April 30, 2010, between General Electric Capital Corporation, as the first lien agent, and The Bank of New York Mellon Trust Company, N.A., as the second lien agent, and acknowledged by Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.) and the guarantors listed on the signature pages thereto (incorporated by reference to Exhibit 10.4 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.7	Amended and Restated Securityholder Agreement, dated as of April 30, 2010, among Thermon Group Holdings, Inc., and the other parties identified therein (incorporated by reference to Exhibit 10.5 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.8	Management Services Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., CHS Private Equity V LP, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC —Series 4, Star Investment Series LLC—Series 1 (incorporated by reference to Exhibit 10.6 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.9	Closing Fee Agreement, dated as of April 30, 2010, between Thermon Group, Inc. and CHS Management V LP (incorporated by reference to Exhibit 10.7 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)
10.10	Thermon Group Holdings, Inc. Restricted Stock and Stock Option Plan, as adopted on July 28, 2010 (incorporated by reference to Exhibit 10.7 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.11	Amendment No. 1 to the Thermon Group Holdings, Inc. Restricted Stock and Stock Option Plan, as adopted on October 27, 2010 (incorporated by reference to Exhibit 10.9 to Amendment No. 3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed November 22, 2010)
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10.15	Amended and Restated Employment Agreement, effective as of April 1, 2011, between Rodney Bingham and Thermon Holding Corp.

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10.17	Amended and Restated Employment Agreement, effective as of April 1, 2011, between Jay Peterson and Thermon Holding Corp.
10.18	Employment Agreement, effective as of April 1, 2011, between Johannes (René) van der Salm and Thermon Holding Corp.
10.19	Form of Manager Equity Agreement among Thermon Group Holdings, Inc., CHS Private Equity V LP, and the management investors†
10.20	Co-Investor Letter Agreement dated April 30, 2010 among CHS Private Equity V LP, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC—Series 4 and Star Investment Series LLC—Series 1†
10.21	Form of Transaction Bonus Agreement between Thermon Holdings, LLC. and certain officers and employees of Thermon Holdings, LLC and its subsidiaries†
10.22	Form of indemnification agreement for directors and certain officers of Thermon Group Holdings, Inc.†
10.23	Form of Termination Agreement among Thermon Industries, Inc., CHS Private Equity V LP, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC—Series 4 and Star Investment Series LLC—Series 1 relating to Management Services Agreement dated April 30, 2010, to become effective concurrent with the consummation of this offering†
10.24	Form of Amendment No. 1 to Amended and Restated Securityholder Agreement among Thermon Group Holdings, Inc., CHS Private Equity V LP, CHS Associates V, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC—Series 4 and Star Investment Series LLC—Series 1, to become effective concurrent with the consummation of this offering†
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21.1	Subsidiaries of Thermon Group Holdings, Inc.†
23.1	Consent of Ernst & Young LLP
23.2	Consent of Meyers Norris Penny LLP
23.3	Consent of Bell Partners
23.4	Consent of Shanghai JiaLiang CPAs
23.5	Consent of Sidley Austin LLP (contained in its opinion filed as Exhibit 5.1)
23.6	Consent of Alvarez & Marsal Private Equity Performance Improvement Group, LLC†
23.7	Consent of Purvin & Gertz, Inc.†
23.8	Consent of Michael W. Press to be named as a director nominee
24.1	Powers of Attorney (included on signature pages hereto)†

* The registrant agrees to furnish supplementally to the SEC a copy of any omitted schedule or exhibit upon the request of the SEC in accordance with Item 601(b)(2) of Regulation S-K.

** Portions of the exhibit have been omitted pursuant to an order granting confidential treatment from the SEC. Such omitted portions have been furnished supplementally to the SEC.

† Previously filed.

Financial Statement Schedule

None. Financial statement schedules have been omitted since the required information is included in our consolidated financial statements contained elsewhere in this registration statement.

Item 17. Undertakings.

(a) The undersigned registrant hereby undertakes:

(i) to file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(A) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(B) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(C) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(ii) that, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(iii) to remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(iv) to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser; and

(v) that for purposes of determining any liability under the Securities Act of 1933, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(b) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this amendment to the registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of San Marcos, State of Texas, on April 13, 2011.

THERMON GROUP HOLDINGS, INC.

By: /s/ RODNEY BINGHAM

Name: Rodney Bingham
Title: *President and Chief Executive Officer*

Pursuant to the requirements of the Securities Act of 1933, as amended, this amendment to the registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ RODNEY BINGHAM **Rodney Bingham**	President and Chief Executive Officer (Principal Executive Officer)	April 13, 2011
* **George Alexander**	Executive Vice President, Global Sales and Director	April 13, 2011
* **Jay Peterson**	Chief Financial Officer, Senior Vice President, Finance and Secretary (Principal Financial and Accounting Officer)	April 13, 2011
* **Daniel J. Hennessy**	Chairman of the Board of Directors	April 13, 2011
* **Marcus J. George**	Director	April 13, 2011
* **James A. Cooper**	Director	April 13, 2011
* **Richard E. Goodrich**	Director	April 13, 2011

Signature	Title	Date
* **Brian P. Simmons**	Director	April 13, 2011
* **Charles A. Sorrentino**	Director	April 13, 2011

*By: /s/ RODNEY BINGHAM

Rodney Bingham
Attorney-in-fact

EXHIBIT INDEX

Exhibit Numbers	Description
1.1	Form of Underwriting Agreement
2.1	Stock Purchase Agreement, dated as of March 26, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.2	First Amendment to the Stock Purchase Agreement, dated as of April 28, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.2 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.3	Amendment to the Stock Purchase Agreement, dated as of July 12, 2010, by and among Thermon Holdings, LLC, Thermon Holding Corp. and Thermon Group, Inc. (incorporated by reference to Exhibit 2.3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.4	Agreement and Plan of Merger, dated as of April 30, 2010, among Thermon Finance, Inc. and Thermon Industries, Inc. (incorporated by reference to Exhibit 2.4 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)*
2.5	Form of Certificate of Ownership and Merger merging Thermon Group, Inc. with and into Thermon Group Holdings, Inc.†
3.1	Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc.†
3.2	Bylaws of Thermon Group Holdings, Inc.†
3.3	Certificate of Amendment dated March 31, 2011 to Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc.†
3.4	Form of Second Amended and Restated Certificate of Incorporation of Thermon Group Holdings, Inc. to become effective immediately prior to the consummation of this offering†
3.5	Form of Amended and Restated Bylaws of Thermon Group Holdings, Inc. to become effective immediately prior to the consummation of this offering†
4.1	Specimen Common Stock Certificate†
4.2	Indenture, dated as of April 30, 2010, between Thermon Finance, Inc., as issuer, and The Bank of New York Mellon Trust Company, N.A., as trustee and collateral agent (incorporated by reference to Exhibit 4.1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
4.3	First Supplemental Indenture, dated as of April 30, 2010, among Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.), as issuer, the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as trustee and collateral agent (incorporated by reference to Exhibit 4.2 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
4.4	Form of 9.500% Senior Secured Note due 2017 (incorporated by reference to Exhibit 4.3 to Amendment No. 3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed November 22, 2010)

Exhibit Numbers	Description
5.1	Opinion of Sidley Austin LLP
10.1	Credit Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein (including Thermon Holding Corp.), General Electric Capital Corporation, as US agent for the several financial institutions from time to time party thereto with a US revolving loan commitment and for itself as a US lender (including as US swingline lender), GE Canada Holding Finance Company, as Canadian agent for the several financial institutions from time to time party thereto with a Canadian revolving loan commitment, Bank of Montreal, as documentation agent for the lenders and for itself as a lender, and KeyBank National Association, as syndication agent for the lenders and for itself as a lender, and such other lenders party thereto (incorporated by reference to Exhibit 10.1 to Amendment No. 3 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed November 22, 2010)**
10.2	First Amendment to Credit Agreement, dated as of November 30, 2010, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein, General Electric Capital Corporation, as US agent and a lender, GE Canada Holding Financing Company, as Canadian agent and a lender, and the other lenders party thereto (incorporated by reference to Exhibit 10.2 to Amendment No. 5 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed December 13, 2010)
10.3	Second Amendment to Credit Agreement, dated as of April 12, 2011, among Thermon Industries, Inc., Thermon Canada Inc., the other parties thereto that are designated as a "credit party" therein, General Electric Capital Corporation, as US agent and a lender, GE Canada Holding Financing Company, as Canadian agent and a lender, and the other lenders party thereto
10.4	First Lien Guaranty and Security Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., the other U.S. Credit Parties named therein and General Electric Capital Corporation, as U.S. agent (incorporated by reference to Exhibit 10.2 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)
10.5	Second Lien Security Agreement, dated as of April 30, 2010, among Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.), the guarantors party thereto and The Bank of New York Mellon Trust Company, N.A., as collateral agent (incorporated by reference to Exhibit 10.3 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)
10.6	Intercreditor Agreement, dated as of April 30, 2010, between General Electric Capital Corporation, as the first lien agent, and The Bank of New York Mellon Trust Company, N.A., as the second lien agent, and acknowledged by Thermon Industries, Inc. (as successor by merger to Thermon Finance, Inc.) and the guarantors listed on the signature pages thereto (incorporated by reference to Exhibit 10.4 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.7	Amended and Restated Securityholder Agreement, dated as of April 30, 2010, among Thermon Group Holdings, Inc., and the other parties identified therein (incorporated by reference to Exhibit 10.5 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)

Exhibit Numbers	Description
10.8	Management Services Agreement, dated as of April 30, 2010, among Thermon Industries, Inc., CHS Private Equity V LP, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC —Series 4, Star Investment Series LLC—Series 1 (incorporated by reference to Exhibit 10.6 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed August 18, 2010)
10.9	Closing Fee Agreement, dated as of April 30, 2010, between Thermon Group, Inc. and CHS Management V LP (incorporated by reference to Exhibit 10.7 to Amendment No. 1 to Registration Statement on Form S-4 (File No. 333-168915) of Thermon Industries, Inc. and additional registrants named therein filed September 29, 2010)
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24.1	Powers of Attorney (included on signature pages hereto)†

* The registrant agrees to furnish supplementally to the SEC a copy of any omitted schedule or exhibit upon the request of the SEC in accordance with Item 601(b)(2) of Regulation S-K.

** Portions of the exhibit have been omitted pursuant to an order granting confidential treatment from the SEC. Such omitted portions have been furnished supplementally to the SEC.

† Previously filed.

Exhibit 1.1

10,000,000

THERMON GROUP HOLDINGS, INC.

COMMON STOCK

Par Value $0.001 Per Share

UNDERWRITING AGREEMENT

[ ], 2011

BARCLAYS CAPITAL INC.
745 Seventh Avenue
New York, New York 10019

JEFFERIES & COMPANY, INC.
520 Madison Avenue
New York, New York 10022

As Representatives of the several
Underwriters named in Schedule 1 attached hereto

Ladies and Gentlemen:

Thermon Group Holdings, Inc., a Delaware corporation (the "**Company**") and certain stockholders of the Company named in Schedule 2 attached hereto (the "**Selling Stockholders**"), propose, severally and not jointly, to sell an aggregate of 10,000,000 shares (the "**Firm Stock**") of the Company's common stock, par value $0.001 per share (the "**Common Stock**"). Of the 10,000,000 shares of the Firm Stock, 4,000,000 are being sold by the Company and 6,000,000 by the Selling Stockholders. In addition, the Company and certain of the Selling Stockholders propose to grant to the underwriters (the "**Underwriters**") named in Schedule 1 attached to this agreement (this "**Agreement**") an option to purchase up to an aggregate of 1,500,000 additional shares of the Common Stock on the terms set forth in Section 3 (the "**Option Stock**"). The Firm Stock and the Option Stock, if purchased, are hereinafter collectively called the "**Stock**." This is to confirm the agreement concerning the purchase of the Stock from the Company and the Selling Stockholders by the Underwriters.

1. *Representations, Warranties and Agreements of the Company*. The Company represents, warrants and agrees that:

(a) A registration statement on Form S-1 (File No. 333-172007) relating to the Stock has (i) been prepared by the Company in conformity with the requirements of the Securities Act of 1933, as amended (the "**Securities Act**"), and the rules and regulations (the "**Rules and Regulations**") of the Securities and Exchange Commission (the "**Commission**") thereunder; (ii) been filed with the Commission under the Securities Act; and (iii) become effective under the Securities Act. Copies of such registration statement

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and any amendment thereto have been delivered by the Company to you as the representatives (the "**Representatives**") of the Underwriters. As used in this Agreement:

(i) "**Applicable Time**" means · [p.m.] (New York City time) ·, 2011;

(ii) "**Effective Date**" means the date and time as of which such registration statement was declared effective by the Commission;

(iii) "**Issuer Free Writing Prospectus**" means each "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations) prepared by or on behalf of the Company or used or referred to by the Company in connection with the offering of the Stock;

(iv) "**Preliminary Prospectus**" means any preliminary prospectus relating to the Stock included in such registration statement or filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations;

(v) "**Pricing Disclosure Package**" means, as of the Applicable Time, the most recent Preliminary Prospectus, together with the information included in Schedule 4 hereto, each Issuer Free Writing Prospectus filed with the Commission or used by the Company on or before the Applicable Time, other than a road show that is an Issuer Free Writing Prospectus but is not required to be filed under Rule 433 of the Rules and Regulations;

(vi) "**Prospectus**" means the final prospectus relating to the Stock, as filed with the Commission pursuant to Rule 424(b) of the Rules and Regulations; and

(vii) "**Registration Statement**" means such registration statement, as amended as of the Effective Date, including any Preliminary Prospectus or the Prospectus and all exhibits to such registration statement.

Any reference to the "**most recent Preliminary Prospectus**" shall be deemed to refer to the latest Preliminary Prospectus included in the Registration Statement or filed pursuant to Rule 424(b) of the Rules and Regulations prior to or on the date hereof. The Commission has not issued any order preventing or suspending the use of any Preliminary Prospectus or the Prospectus or suspending the effectiveness of the Registration Statement, and no proceeding or examination for such purpose has been instituted or, to the knowledge of the Company, threatened by the Commission.

(b) The Company was not at the time of initial filing of the Registration Statement and at the earliest time thereafter that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) of the Rules and Regulations) of the Stock, is not on the date hereof and will not be on the applicable Delivery Date (as hereinafter defined) an "ineligible issuer" (as defined in Rule 405 of the Rules and Regulations).

(c) The Registration Statement conformed and will conform in all material respects on the Effective Date and on the applicable Delivery Date, and any amendment to the Registration Statement filed after the date hereof will conform in all material respects when filed, to the applicable requirements of the Securities Act and the Rules and Regulations. The most recent Preliminary Prospectus conformed, and the Prospectus will conform, in all material respects when filed with the Commission pursuant to Rule 424(b) and on the applicable Delivery Date to the applicable requirements of the Securities Act and the Rules and Regulations.

(d) The Registration Statement did not, as of the Effective Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Registration Statement in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 10(f).

(e) The Prospectus will not, as of its date and on the applicable Delivery Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Prospectus in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 10(f).

(f) The Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Pricing Disclosure Package in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 10(f).

(g) Each Issuer Free Writing Prospectus (including, without limitation, any road show that is a free writing prospectus under Rule 433 of the Rules and Regulations), when considered together with the Pricing Disclosure Package as of the Applicable Time, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that no representation or warranty is made as to information contained in or omitted from the Pricing Disclosure Package in reliance upon and in conformity with written information furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information is specified in Section 10(f).

(h) Each Issuer Free Writing Prospectus conformed or will conform in all material respects to the requirements of the Securities Act and the Rules and Regulations on the date of first use, and the Company has complied with all prospectus delivery and any filing requirements applicable to such Issuer Free Writing Prospectus pursuant to the Rules and Regulations. The Company has not made any offer relating to the Stock that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives (such consent not to be unreasonably withheld, conditioned or delayed). The Company has retained in accordance with the Rules and Regulations all Issuer Free Writing Prospectuses that were not required to be filed pursuant to the Rules and Regulations. The Company has complied with the provisions of Rule 433(d)(8)(ii) of the Rules and Regulations, such that any "road show" (as defined in Rule 433 of the Rules and Regulations) in connection with the offering of the Stock will not be required to be filed pursuant to the Rules and Regulations.

(i) Each of the Company and its subsidiaries (as defined in Section 19) has been duly organized or formed, as the case may be, and is validly existing and in good standing as a corporation or other business entity under the law of its jurisdiction of organization (to the extent applicable under the laws of such jurisdiction), is duly qualified or licensed to do business and in good standing as a foreign corporation or other business entity in each jurisdiction in which its ownership or lease of property or the conduct of its businesses requires such qualification or license, except where the failure to be so qualified or in good standing

would not, in the aggregate, reasonably be expected to have a material adverse effect on the condition (financial or otherwise), results of operations, properties or business of the Company and its subsidiaries taken as a whole (a "**Material Adverse Effect**"); each of the Company and its subsidiaries has all power and authority necessary to own or hold its properties and to conduct the businesses in which it is engaged. The Company does not own or control, directly or indirectly, any corporation, association or other entity other than the subsidiaries listed in Exhibit 21 to the Registration Statement.

(j) The Company has an authorized capitalization as set forth in each of the most recent Preliminary Prospectus and the Prospectus, and all of the issued shares of capital stock of the Company have been duly authorized and validly issued, are fully paid and non-assessable, conform in all material respects to the description thereof contained in the most recent Preliminary Prospectus and were issued in compliance with federal and state securities laws and not in violation of any preemptive right, resale right, right of first refusal or similar right. All of the Company's options, warrants and other rights to purchase or exchange any securities for shares of the Company's capital stock have been duly authorized and validly issued, conform in all material respects to the description thereof contained in the most recent Preliminary Prospectus and were issued in compliance with federal and state securities laws. All of the issued shares of capital stock or other equity interests of each subsidiary of the Company have been duly authorized and validly issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of all liens, encumbrances, equities or claims, except for those liens arising under the existing secured indebtedness of certain subsidiaries of the Company as described in the most recent Preliminary Prospectus or such liens,

encumbrances, equities or claims as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(k) The shares of the Stock to be issued and sold by the Company to the Underwriters hereunder have been duly authorized and, upon payment and delivery in accordance with this Agreement, will be validly issued, fully paid and non-assessable, will conform in all material respects to the description thereof contained in the most recent Preliminary Prospectus, will be issued in compliance with federal and state securities laws and will be free of statutory and contractual preemptive rights, rights of first refusal and similar rights. The shares of Stock to be sold by the Selling Stockholders will be sold in compliance with federal and state securities law.

(l) The Company has all requisite corporate power and authority to execute, deliver and perform its obligations under this Agreement. This Agreement has been duly and validly authorized, executed and delivered by the Company.

(m) The execution, delivery and performance of this Agreement by the Company, the consummation of the transactions contemplated hereby and the application of the proceeds from the sale of the Stock as described under "Use of Proceeds" in the most recent Preliminary Prospectus will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, impose any lien, charge or encumbrance upon any property or assets of the Company and its subsidiaries, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject; (ii) result in any violation of the provisions of the charter or by-laws (or similar organizational documents) of the Company or any of its subsidiaries; or (iii) result in any violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets, except, in the case of clauses (i) and (iii), conflicts, breaches, violations or defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(n) No consent, approval, authorization or order of, or filing or registration with, any court or governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties or assets is required for the execution, delivery and performance of this Agreement by the Company, the consummation of the transactions contemplated hereby, the application of the proceeds from the sale of the Stock as described under "Use of Proceeds" in the most recent Preliminary Prospectus, except for the registration of the Stock under the Securities Act and such consents, approvals, authorizations, registrations or qualifications as may be required under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), applicable state or foreign securities laws and the by-laws and rules of the Financial Industry Regulatory Authority, Inc. ("**FINRA**"), in each case in connection with the purchase and sale of the Stock by the Underwriters.

(o) Except as described in the most recent Preliminary Prospectus, there are no contracts, agreements or understandings between the Company and any person granting such person the right (other than rights which have been waived in writing or otherwise satisfied) to require the Company to file a registration statement under the Securities Act with respect to any securities of the Company owned or to be owned by such person or to require the Company to include such securities in the securities registered pursuant to the Registration Statement or in any securities being registered pursuant to any other registration statement filed by the Company under the Securities Act.

(p) The Company has not sold or issued any securities that would be integrated with the offering of the Stock contemplated by this Agreement pursuant to the Securities Act, the Rules and Regulations or the interpretations thereof by the Commission.

(q) Neither the Company nor any of its subsidiaries has sustained, since the date of the latest audited financial

statements included in the most recent Preliminary Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree, and since such date, there has not been any change in the capital stock or long-term debt of the Company or any of its subsidiaries (other than as a result of the grant or exercise of stock options pursuant to equity incentive plans existing on the date hereof and described in the most recent Preliminary Prospectus) or any adverse change, in or affecting the condition (financial or otherwise), results of operations, properties, management or business of the Company and its subsidiaries, taken as a whole, in each case except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(r) Except as disclosed in the most recent Preliminary Prospectus, since the date as of which information is given in the most recent Preliminary Prospectus, the Company has not (i) incurred any liability or obligation, direct or contingent, other than liabilities and obligations that were incurred in the ordinary course of business, that is material, individually or in the aggregate, to the Company and its subsidiaries, taken as a whole, (ii) entered into any material transaction not in the ordinary course of business or (iii) declared or paid any dividend on its capital stock.

(s) The historical financial statements (including the related notes and supporting schedules) included in the most recent Preliminary Prospectus comply as to form in all material respects with the requirements of Regulation S-X under the Securities Act and present fairly the financial condition, results of operations and cash flows of the entities purported to be shown thereby at the dates and for the periods indicated and have been prepared in conformity with accounting principles generally accepted in the United States ("**GAAP**") applied on a consistent basis throughout the periods involved.

(t) The pro forma financial statements included in the most recent Preliminary Prospectus include assumptions that provide a reasonable basis for presenting the significant effects directly attributable to the transactions and events

described therein, the related pro forma adjustments give appropriate effect to those assumptions, and the pro forma adjustments reflect the proper application of those adjustments to the historical financial statement amounts in the pro forma financial statements included in the most recent Preliminary Prospectus. The pro forma financial statements included in the most recent Preliminary Prospectus comply as to form in all material respects with the applicable requirements of Regulation S-X under the Securities Act.

(u) Ernst & Young LLP, who have audited certain financial statements of the predecessor to the Company and its consolidated subsidiaries, whose report appears in the most recent Preliminary Prospectus and who have delivered the initial letter referred to in Section 9(g) hereof, are independent public accountants as required by the Securities Act and the Rules and Regulations; and Meyers Norris Penny LLP, Bell Partners and Shanghai Jialiang CPAs, whose reports appear in the most recent Preliminary Prospectus, were independent public accountants as required by the Securities Act and the Rules and Regulations during the periods covered by the financial statements on which they reported contained in the most recent Preliminary Prospectus.

(v) The Company and each of its subsidiaries have good, marketable and valid title to all real property and good title to all material personal property owned by them, in each case and the right to use all leasehold estates in real and material personal property being leased by them and, all such properties are free and clear of all liens, encumbrances and defects, except such as are described in the most recent Preliminary Prospectus or such liens, encumbrances or defects as do not materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company and its subsidiaries (collectively, the "**Permitted Liens**"); and all assets held under lease by the Company and its subsidiaries are held by them under valid, subsisting and enforceable leases, with such exceptions as do not materially interfere with the use made and proposed to be made of such assets by the Company and its subsidiaries.

(w) The Company and each of its subsidiaries are insured by insurers of recognized financial responsibility against such losses and risks and in such amounts as are prudent and covering such risks as is adequate for the conduct of their respective businesses and as is customary for companies engaged in similar businesses in similar industries. All policies of insurance of the Company and each of its subsidiaries are in full force and effect. The Company and its subsidiaries are in compliance with the terms of such policies in all material respects; and there are no claims by the Company or any of its subsidiaries under any such policy or instrument as to which any insurance company is denying liability or defending under a reservation of rights clause that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Neither the Company nor any of its subsidiaries has any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage from similar insurers as may be necessary to continue its business at a cost that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(x) All statistical and market-related and industry data included under the captions "Prospectus Summary," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business" in the most recent Preliminary Prospectus are based on or derived from sources that the Company believes to be reliable and accurate in all material respects.

(y) Neither the Company nor any subsidiary is, and as of the applicable Delivery Date and, after giving effect to the offer and sale of the Stock and the application of the proceeds therefrom as described under "Use of Proceeds" in the most recent

Preliminary Prospectus and the Prospectus, none of them will be, an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission thereunder.

(z) Except as disclosed in the most recent Preliminary Prospectus, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property or assets of the Company or any of its subsidiaries is the subject that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or would, individually or in the aggregate, reasonably be expected to have a material adverse effect on the performance of this Agreement or the consummation of the transactions contemplated hereby; and to the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or others.

(aa) There are no legal or governmental proceedings or contracts or other documents of a character required to be described by the Securities Act or the Rules and Regulations in the Registration Statement or the most recent Preliminary Prospectus or, in the case of documents, to be filed as exhibits to the Registration Statement, that are not described and filed as required. The statements made in the most recent Preliminary Prospectus under the captions "Certain Relationships and Related Party Transactions," "Description of Capital Stock," "Shares Eligible for Future Sale" and "Material U.S. Federal Income Tax Considerations for Non-U.S. Holders," insofar as they purport to describe certain provisions or terms of statutes, rules or regulations, legal or governmental proceedings or contracts and other documents, accurately describe such provisions or terms in all material respects.

(bb) Except as described in the most recent Preliminary Prospectus, no relationship, direct or indirect, exists between or among the Company or any of its subsidiaries, on the one hand, and the directors, officers, stockholders, customers or suppliers of the Company or any of its subsidiaries, on the other hand, that is required to be described by the Securities Act or the Rules and Regulations in the most recent Preliminary Prospectus which is not so described.

(cc) No labor dispute by the employees of the Company or its subsidiaries exists or, to the knowledge of the Company, is imminent that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(dd) (i) Each of the Company, its subsidiaries, and each ERISA Affiliate (as hereinafter defined) has fulfilled its obligations, if any, under the minimum funding standards of Section 302 of the United States Employee Retirement Income Security Act of 1974, as amended ("**ERISA**") and Section 412 of the Internal Revenue Code of 1986, as amended (the "**Code**") with respect to each "pension plan" (as defined in Section 3(2) of ERISA), subject to Section 302 or Title IV of ERISA or Section 412 of the Code, which any of the Company, its subsidiaries or any ERISA Affiliate sponsors or maintains, or with respect to which it has (or within the last five years had) any obligation to make contributions, (ii) no "reportable event" (within the meaning of Section 4043(c) of ERISA) has occurred or is reasonably expected to occur with respect to any such plan that would reasonably be expected to have a Material Adverse Effect, (iii) each such plan is in compliance in all material respects with the presently applicable provisions of ERISA and the Code, except for any failure to comply that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (iv) none of the Company, its subsidiaries or any ERISA Affiliate has incurred, or expects to incur, any unpaid liability to the Pension Benefit Guaranty Corporation (other than for the payment of premiums in the ordinary course) or to any such plan under Title IV of ERISA. Each pension plan maintained by the Company or any of its subsidiaries that is intended to be qualified under Section 401(a) of the Code is so qualified and nothing has occurred, whether by action or failure to act, that would cause the loss of such qualification. "**ERISA Affiliate**" means a corporation, trade or business that is, along with a company or any of its subsidiaries, a member of a controlled group of corporations or a controlled group of trades or businesses, or that is treated as a single employer pursuant to Section 414(b), (c), (m) or (o) of the Code or Section 4001(a)(14) of ERISA.

(ee) The Company and each of its subsidiaries have filed all federal, state, local and foreign income and franchise tax returns required to be filed through the date hereof, subject to permitted extensions, except where the failure to file would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. All taxes that are due from the Company and each of its subsidiaries have been paid other than those (i) currently payable without penalty or interest or (ii) being contested in good faith and by appropriate proceedings and for which adequate accruals have been established in accordance with GAAP, in each case, for which the failure to have paid would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company, there are no actual or proposed tax deficiencies asserted against the Company or any of its subsidiaries that would, individually or in the aggregate, have a Material Adverse Effect.

(ff) There are no transfer taxes or other similar fees or charges under Federal law or the laws of any state, or any political subdivision thereof, required to be paid in connection with the execution and delivery of this Agreement or the issuance by the Company or sale by the Company of the Stock.

(gg) Neither the Company nor any of its subsidiaries is (i) in violation of its certificate of incorporation, by-laws or other organizational documents (the "**Charter Documents**"); (ii) in violation of any U.S. or non-U.S. federal, state or local statute, law (including, without limitation, common law) or ordinance, or any judgment, decree, rule,

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regulation, order or injunction (collectively, "**Applicable Law**") of any U.S. or non-U.S. federal, state, local or other governmental or regulatory authority, governmental or regulatory agency or regulatory body, court, arbitrator or self-regulatory organization,

applicable to any of them or any of their respective properties; or (iii) in breach of or default under any bond, debenture, note, loan or other evidence of indebtedness, indenture, mortgage, deed of trust, lease or any other agreement or instrument to which any of them is a party or by which any of them or their respective properties are bound (collectively, the "**Applicable Agreements**"), except, in the case of clauses (ii) and (iii), as disclosed in the most recent Preliminary Prospectus or for such violations, breaches or defaults that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. All material Applicable Agreements to which the Company and any of its subsidiaries is a party or by which any of them is bound are in full force and effect and are legal, valid and binding obligations of each such Person, other than as disclosed in the most recent Preliminary Prospectus, and except that the enforcement thereof may be subject to (i) the effects of bankruptcy, insolvency, reorganization, receivership, moratorium, fraudulent conveyance, fraudulent transfer or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity (whether considered in a proceeding in equity or at law), (iii) the discretion of the court before which any proceeding therefor may be brought and (iv) an implied covenant of good faith and fair dealing. There exists no condition that, with the passage of time or otherwise, would constitute (A) a violation of such Charter Documents, (B) a violation of such Applicable Laws that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (C) a breach of or default or a "Debt Repayment Triggering Event" (as hereinafter defined) under any Applicable Agreement that would, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, or (D) result in the imposition of any penalty or the acceleration of any indebtedness. As used herein, a "**Debt Repayment Triggering Event**" means any event or condition that gives, or with the giving of notice or lapse of time would give, the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries or any of their respective properties.

(hh) The Company and each of its subsidiaries (i) make and keep accurate books and records and (ii) maintain effective internal control over financial reporting as defined in Rule 13a-15 under the Exchange Act and a system of internal accounting controls sufficient to provide reasonable assurance that (A) transactions are executed in accordance with management's general or specific authorization, (B) transactions are recorded as necessary to permit preparation of the Company's financial statements in conformity with GAAP and to maintain accountability for its assets, (C) access to the Company's assets is permitted only in accordance with management's general or specific authorization and (D) the recorded accountability for the Company's assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any material differences.

(ii) (i) The Company and each of its subsidiaries have established and maintain disclosure controls and procedures (as such term is defined in Rule 13a-15 under the Exchange Act), (ii) such disclosure controls and procedures are designed to ensure that the information required to be disclosed by the Company and its subsidiaries in the reports they will file or submit under the Exchange Act is accumulated and communicated to management of the Company and its subsidiaries, including their respective principal executive officers and principal financial officers, as appropriate, to allow timely decisions regarding required disclosure to be made and (iii) such disclosure controls and procedures are effective in all material respects to perform the functions for which they were established.

(jj) Since the date of the most recent balance sheet of the predecessor to the Company and its subsidiaries audited by Ernst & Young LLP, (i) the Company has not been advised of (A) any material weaknesses in internal controls over financial reporting and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in the internal controls of the Company and each of its subsidiaries, and (ii) since that date, there have been no significant changes in internal controls or in other factors that could significantly affect internal controls, including any corrective actions with regard to significant deficiencies and material weaknesses.

(kk) There is and has been no failure on the part of the Company and any of the Company's directors or officers, in their capacities as such, to comply with the provisions of the Sarbanes-Oxley Act of 2002 and the rules and regulations promulgated in connection therewith.

(ll) The Company and each of its subsidiaries have such permits, licenses, certificates of need and other approvals or authorizations of governmental or regulatory authorities ("**Permits**") as are necessary under applicable law to own their properties and conduct their businesses in the manner described in the most recent Preliminary Prospectus, except for any of the foregoing that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect; each of the Company and its subsidiaries has fulfilled and performed all of its obligations with respect to the Permits, and no event has occurred that allows, or after notice or lapse of time would allow, revocation or termination thereof or results in any other impairment of the rights of the holder or any such Permits, except for any of the foregoing that would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(mm) Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, each of the Company and each of its subsidiaries owns, or is licensed under, and has the right to use, all patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, domain names and trade names (collectively, "**Intellectual Property**") necessary for the conduct of their respective businesses and, as of the most recent Preliminary Prospectus, the Intellectual Property owned by the Company and its subsidiaries will be free and clear of all Liens other than Permitted Liens and Liens to be

released as of each Delivery Date. To the knowledge of the Company and its subsidiaries, after due inquiry, no claims or notices of any potential claim have been asserted by any person challenging the use of any such Intellectual Property by the Company or its subsidiaries or questioning the validity or effectiveness of any Intellectual Property or any license or agreement related thereto, other than any claims that, if successful, would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. To the knowledge of the Company and its subsidiaries, after due inquiry, none of the Intellectual Property used by the Company or any of its subsidiaries has been obtained or is being used by the Company or any of its subsidiaries in violation of any contractual obligation binding on any of them or their respective officers, directors, or employees, or otherwise in violation of the rights of any person.

(nn) Except as disclosed in the most recent Preliminary Prospectus, (A) the Company and each of its subsidiaries (i) are in compliance with all laws, regulations, ordinances, rules, orders, judgments, decrees, permits or other legal requirements of any governmental authority, including without limitation any international, national, state, provincial, regional, or local authority, relating to the protection of human health or safety, the environment, or natural resources, or to hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**") applicable to such entity, which compliance includes, without limitation, obtaining, maintaining and complying with all permits and authorizations and approvals required by Environmental Laws to conduct their respective businesses, and (ii) have not received notice of any actual or alleged violation of Environmental Laws, or of any potential liability for or other obligation concerning the presence, disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, in each case, except where such non-compliance with Environmental Laws, failure to obtain, maintain or comply with such permits, authorizations or approvals, or violation or potential liability would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and (B) there are no proceedings that are pending, or known to be contemplated, against the Company or any of its subsidiaries under Environmental Laws in which a governmental authority is also a party, other than such proceedings regarding which it is reasonably believed no monetary sanctions of $100,000 or more will be imposed.

(oo) Neither the Company nor any subsidiary is in violation of or has received notice of any violation with respect to any federal or state law relating to discrimination in the hiring, promotion or pay of employees, nor any applicable federal or state wage and hour laws, the violation of any of which, individually or in the aggregate, would reasonably be expected to have a Material Adverse Affect.

(pp) No subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary's capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary's property or assets to the Company or any other subsidiary of the Company, except in each case for those prohibitions and restrictions arising under the existing secured indebtedness of certain subsidiaries of the Company as described in the most recent Preliminary Prospectus.

(qq) Neither the Company nor any of its subsidiaries, nor, to the knowledge of the Company, any director, officer, agent, employee or other person acting on behalf of the Company or any of its subsidiaries, has (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977; or (iv) made any unlawful bribe, rebate, payoff, influence payment, kickback or other unlawful payment.

(rr) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened, except, in each case, where such non-compliance or action, suit or proceeding would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(ss) Neither the Company nor any of its subsidiaries nor, to the knowledge of the Company, any director, officer, agent, employee or affiliate of the Company or any of its subsidiaries is currently subject to any U.S. sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**"); and the Company will not directly or knowingly indirectly use the proceeds of the offering, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity, for the purpose of financing the activities of any person currently subject to any U.S. sanctions administered by OFAC.

(tt) None of the Directed Shares distributed in connection with the Directed Share Program (each as defined in Section 4) will be offered or sold outside of the United States.

(uu) The Company has not offered, or caused Barclays Capital Inc. to offer, Stock to any person pursuant to the Directed Share Program with the specific intent to unlawfully influence (i) a customer or supplier of the Company to alter the customer's or supplier's level or type of business with the Company or (ii) a trade journalist or publication to write or publish favorable information about the Company, its business or its products.

(vv) The Company has not distributed and, prior to the later to occur of any Delivery Date and completion of the distribution of the Stock, will not distribute any offering material in connection with the offering and sale of the Stock other than any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus to which the Representatives have consented in accordance with Section 1(h) or 6(a)(vi) and, in

connection with the Directed Share Program described in Section 4, the enrollment materials prepared by Barclays Capital Inc. on behalf of the Company.

(ww) The Company has not taken and will not take, directly or indirectly, any action designed to or that has constituted or which would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the shares of the Stock.

(xx) The Stock has been approved for listing, subject to official notice of issuance, on the New York Stock Exchange.

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Underwriters in connection with the offering of the Stock shall be deemed a representation and warranty by the Company, as to matters covered thereby, to each Underwriter.

2. *Representations, Warranties and Agreements of the Selling Stockholders*. Each Selling Stockholder, severally and not jointly, represents, warrants and agrees that:

(a) Neither the Selling Stockholder nor any person acting on behalf of the Selling Stockholder (other than, if applicable, the Company and the Underwriters) has used or referred to any "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations), relating to the Stock;

(b) The Selling Stockholder has, and immediately prior to any Delivery Date on which the Selling Stockholder is selling shares of Stock, the Selling Stockholder will have, good and valid title to, or a valid "security entitlement" within the meaning of Section 8-501 of the New York Uniform Commercial Code (the "**UCC**") in respect of, the shares of Stock to be sold by the Selling Stockholder hereunder on such Delivery Date, free and clear of all liens, encumbrances, equities or claims, except for any liens, encumbrances, equities or claims arising under the Custody Agreement (as hereinafter defined).

(c) The Stock to be sold by the Selling Stockholder hereunder, which is represented by the certificates held in custody for the Selling Stockholder, is subject to the interest of the Underwriters and the other Selling Stockholders hereunder, the arrangements made by the Selling Stockholder for custody of the Stock pursuant to the Custody Agreement are to that extent irrevocable, and the obligations of the Selling Stockholder hereunder shall not be terminated by any act of the Selling Stockholder, by operation of law, by the death or incapacity of any individual Selling Stockholder or, in the case of a trust, by the death or incapacity of any executor or trustee or the termination of such trust, or the occurrence of any other event.

(d) Upon payment for the Stock to be sold by such Selling Stockholder, delivery of such Stock, as directed by the Underwriters, to Cede & Co. ("**Cede**") or such other nominee as may be designated by The Depository Trust Company ("**DTC**"), registration of such Stock in the name of Cede or such other nominee and the crediting of such Stock on the books of DTC to securities accounts of the Underwriters (assuming that

neither DTC nor any such Underwriter has notice of any adverse claim (within the meaning of Section 8-105 of the UCC) to such Stock), (i) DTC shall be a "protected purchaser" of such Stock within the meaning of Section 8-303 of the UCC, (ii) under Section 8-501 of the UCC, the Underwriters will acquire a valid security entitlement in respect of such Stock and (iii) no action based on any "adverse claim," within the meaning of Section 8-102 of the UCC, to such Stock may be asserted against the Underwriters with respect to such security entitlement. For purposes of this representation, such Selling Stockholder may assume that when such payment, delivery and crediting occur, (A) such Shares will have been registered in the name of Cede or another nominee designated by DTC, in each case on the Company's share registry in accordance with its certificate of incorporation, bylaws and applicable law, (B) DTC will be registered as a "clearing corporation" within the meaning of Section 8-102 of the UCC and (C) appropriate entries to the accounts of the several Underwriters on the records of DTC will have been made pursuant to the UCC.

(e) The Selling Stockholder has placed in custody under a custody agreement (the "**Custody Agreement**" and, together with all other similar agreements executed by the other Selling Stockholders, the "**Custody Agreements**") with American Stock Transfer & Trust Company, LLC, as custodian (the "**Custodian**"), for delivery under this Agreement, certificates in negotiable form (with signature guaranteed by a participant in the Securities Transfer Agents Medallion Program, the New York Stock Exchange Medallion Signature Program or the Stock Exchange Medallion Program) representing the shares of Stock to be sold by the Selling Stockholder hereunder.

(f) The Selling Stockholder has duly and irrevocably executed and delivered a power of attorney (the "**Power of Attorney**" and, together with all other similar agreements executed by the other Selling Stockholders, the "**Powers of Attorney**") appointing the Custodian and Messrs. Rodney Bingham and Jay Peterson as attorneys-in-fact, with full power of substitution, and

with full authority (exercisable by any one or more of them) to execute and deliver this Agreement and to take such other action as may be necessary or desirable to carry out the provisions hereof on behalf of the Selling Stockholder.

(g) The Selling Stockholder has full right, power and authority (with respect to a Selling Stockholder that is not a natural person), corporate or otherwise, to enter into this Agreement, the Custody Agreement and the Power of Attorney.

(h) This Agreement has been duly and validly authorized (with respect to a Selling Stockholder that is not a natural person), executed and delivered by or on behalf of the Selling Stockholder.

(i) The Power of Attorney and the Custody Agreement have been duly and validly authorized (with respect to a Selling Stockholder that is not a natural person), executed and delivered by or on behalf of the Selling Stockholder and constitute valid and legally binding obligations of the Selling Stockholder enforceable against the Selling Stockholder in accordance with their terms, subject to (i) the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, receivership, moratorium, fraudulent

transfer or other similar laws now or hereafter in effect relating to creditors' rights generally, (ii) general principles of equity (whether considered in a proceeding in equity or at law), (iii) the discretion of the court before which any proceeding therefor may be brought and (iv) an implied covenant of good faith and fair dealing.

(j) The execution, delivery and performance of this Agreement, the Custody Agreement and the Power of Attorney by the Selling Stockholder and the consummation by the Selling Stockholder of the transactions contemplated hereby and thereby do not and will not (i) conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement, license or other agreement or instrument to which the Selling Stockholder is a party or by which the Selling Stockholder is bound or to which any of the property or assets of the Selling Stockholder is subject (except for any liens, encumbrances, equities or claims arising under the Custody Agreement), (ii) result in any violation of the provisions of the charter or by-laws (or similar organizational documents) of the Selling Stockholder in the case of a Selling Stockholder that is not a natural person, or (iii) result in any violation of any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Selling Stockholder or the property or assets of the Selling Stockholder, except, in the case of clauses (i) and (iii), for such conflicts, breaches, violations or defaults that would not, individually or in the aggregate, adversely affect the ability of the Selling Stockholder to perform its obligations hereunder and under the Custody Agreement and the Power of Attorney.

(k) No consent, approval, authorization or order of, or filing or registration with, any court or governmental agency or body having jurisdiction over the Selling Stockholder or the property or assets of the Selling Stockholder is required for the execution, delivery and performance of this Agreement, the Custody Agreement or the Power of Attorney by the Selling Stockholder and the consummation by the Selling Stockholder of the transactions contemplated hereby and thereby, except for the registration of the Stock under the Securities Act and such consents, approvals, authorizations, registrations or qualifications as may be required under the Exchange Act and applicable state or foreign securities laws in connection with the purchase and sale of the Stock by the Underwriters.

(l) The Registration Statement did not, as of the Effective Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided* that such representation and warranty applies only to information contained in or omitted from the Registration Statement in reliance upon and in conformity with written information relating to such Selling Stockholder and furnished to the Company by or on behalf of such Selling Stockholder specifically for inclusion therein; it being understood and agreed that the only written information so furnished consists only of the information concerning such Selling Stockholder appearing under the captions "Prospectus Summary —Our Principal Stockholder" and "Principal and Selling Stockholders" in any Preliminary Prospectus, the Registration Statement and the Prospectus (the "**Selling Stockholder Information**").

(m) The Prospectus will not, as of its date and on the applicable Delivery Date, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that such representation and warranty applies only to the Selling Stockholder Information contained in or omitted from the Prospectus.

(n) The Pricing Disclosure Package did not, as of the Applicable Time, contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that such representation and warranty applies only to the Selling Stockholder Information contained in or omitted from the Pricing Disclosure Package.

(o) Each Issuer Free Writing Prospectus (including, without limitation, any road show that is a free writing prospectus under Rule 433 of the Rules and Regulations), when considered together with the Pricing Disclosure Package as of the Applicable Time, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided* that such representation and warranty applies only to the Selling Stockholder Information contained in or omitted from each Issuer

Free Writing Prospectus.

(p) The Selling Stockholder is not prompted to sell shares of Common Stock by any information concerning the Company that is not set forth in the Registration Statement, the Pricing Disclosure Package and the Prospectus.

(q) The Selling Stockholder has not taken and will not take, directly or indirectly, any action that is designed to or that has constituted or which would reasonably be expected to cause or result in the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the shares of the Stock.

(r) The sale of the Common Stock by the Selling Stockholder does not violate any of the Company's internal policies regarding the sale of stock by its affiliates.

Any certificate signed by any officer of any Selling Stockholder and delivered to the Representatives or counsel for the Underwriters in connection with the offering of the Stock shall be deemed a representation and warranty by such Selling Stockholder, as to matters covered thereby, to each Underwriter.

3. *Purchase of the Stock by the Underwriters.* On the basis of the representations and warranties contained in, and subject to the terms and conditions of, this Agreement, the Company agrees to sell 4,000,000 shares of the Firm Stock and each Selling Stockholder agrees to sell the number of shares of the Firm Stock set forth opposite its name in Schedule 2 hereto, severally and not jointly, to the several Underwriters, and each of the Underwriters, severally and not jointly, agrees to purchase the number of shares of the Firm Stock set forth opposite that Underwriter's name in Schedule 1 hereto. Each Underwriter shall

be obligated to purchase from the Company, and from each Selling Stockholder, that number of shares of the Firm Stock that represent the same proportion of the number of shares of the Firm Stock to be sold by the Company and by each Selling Stockholder as the number of shares of the Firm Stock set forth opposite the name of such Underwriter in Schedule 1 represents of the total number of shares of the Firm Stock to be purchased by all of the Underwriters pursuant to this Agreement. The respective purchase obligations of the Underwriters with respect to the Firm Stock shall be rounded among the Underwriters to avoid fractional shares, as the Representatives may determine.

In addition, the Company and the Selling Stockholders identified in Schedule 2 hereto each grant to the Underwriters, severally and not jointly, an option to purchase up to 1,425,098 shares, in the case of the Company, and the number of shares of Option Stock set forth opposite such Selling Stockholder's name in Schedule 2 hereto, in the case of the Selling Stockholders. Such option is exercisable in the event that the Underwriters sell more shares of Common Stock than the number of Firm Stock in the offering and as set forth in Section 5 hereof. Any such election to purchase Option Stock shall be made first with respect to the shares proposed to be sold by the Selling Stockholders up to the maximum number of shares of Option Stock proposed to be sold by all Selling Stockholders (on a pro rata basis based on the maximum number of shares of Option Stock to be sold by each Selling Stockholder as set forth in Schedule 2 hereto) prior to purchasing any shares of Option Stock from the Company. Each Underwriter agrees, severally and not jointly, to purchase the number of shares of Option Stock (subject to such adjustments to eliminate fractional shares as the Representatives may determine) that bears the same proportion to the total number of shares of Option Stock to be sold on such Delivery Date as the number of shares of Firm Stock set forth in Schedule 1 hereto opposite the name of such Underwriter bears to the total number of shares of Firm Stock.

The price of both the Firm Stock and any Option Stock purchased by the Underwriters shall be $[·] per share.

The Company and the Selling Stockholders shall not be obligated to deliver any of the Firm Stock or Option Stock to be delivered on the applicable Delivery Date, except upon payment for all such Stock to be purchased on such Delivery Date as provided herein.

4. *Offering of Stock by the Underwriters*. Upon authorization by the Representatives of the release of the Firm Stock, the several Underwriters propose to offer the Firm Stock for sale upon the terms and conditions to be set forth in the Prospectus.

It is understood that approximately 500,000 shares of the Firm Stock (the "**Directed Shares**") will initially be reserved by the several Underwriters for offer and sale upon the terms and conditions to be set forth in the most recent Preliminary Prospectus and in accordance with the rules and regulations of FINRA to persons having business relationships with the Company and its subsidiaries or affiliates who have heretofore delivered to Barclays Capital Inc. offers or indications of interest to purchase shares of Firm Stock in form satisfactory to Barclays Capital Inc. (such program, the "**Directed Share Program**" and such persons delivering such offers or indications of interest, the "**Directed Share Participants**") and that any allocation of such Firm Stock among the Directed Share Participants will be made in accordance with timely directions received by Barclays Capital Inc. from the Company; *provided* that under

no circumstances will Barclays Capital Inc. or any Underwriter be liable to the Company or to any Directed Share Participant for any action taken or omitted in good faith in connection with such Directed Share Program. It is further understood that any Directed Shares not affirmatively reconfirmed for purchase by any Directed Share Participant by [9]:00 A.M., New York City time, on the first business day following the date hereof or otherwise are not purchased by Directed Share Participants will be offered by the Underwriters to the public upon the terms and conditions set forth in the Prospectus.

The Company agrees to pay all fees and disbursements incurred by the Underwriters in connection with the Directed Share Program and any stamp duties or other taxes incurred by the Underwriters in connection with the Directed Share Program.

5. Delivery of and Payment for the Stock. Delivery of and payment for the Firm Stock shall be made at 10:00 A.M., New York City time, on the [fourth] full business day following the date of this Agreement or at such other date or place as shall be determined by agreement between the Representatives and the Company. This date and time are sometimes referred to as the "**Initial Delivery Date**." Delivery of the Firm Stock shall be made to the Representatives for the account of each Underwriter against payment by the several Underwriters through the Representatives and of the respective aggregate purchase prices of the Firm Stock being sold by the Company and the Selling Stockholders to or upon the order of the Company and the Selling Stockholders of the purchase price by wire transfer in immediately available funds to the accounts specified by the Company and the Selling Stockholders. Time shall be of the essence, and delivery at the time and place specified pursuant to this Agreement is a further condition of the obligation of each Underwriter hereunder. The Company shall deliver the Firm Stock through the facilities of DTC unless the Representatives shall otherwise instruct.

The option granted in Section 3 will expire 30 days after the date of this Agreement and may be exercised in whole or from time to time in part by written notice being given to the Company and the Selling Stockholders by the Representatives; *provided* that if such date falls on a day that is not a business day, the options granted in Section 3 will expire on the next succeeding business day. Such notice shall set forth the aggregate number of shares of Option Stock as to which the options are being exercised, the names and denominations in which the shares of Option Stock are to be registered and the date and time, as determined by the Representatives, when the shares of Option Stock are to be delivered; *provided, however*, that this date and time shall not be earlier than the Initial Delivery Date nor earlier than the second business day after the date on which the option shall have been exercised nor later than the fifth business day after the date on which the option shall have been exercised. Each date and time the shares of Option Stock are delivered is sometimes referred to as an "**Option Stock Delivery Date**," and the Initial Delivery Date and any Option Stock Delivery Date are sometimes each referred to as a "**Delivery Date**."

Delivery of the Option Stock by the Selling Stockholders and payment for the Option Stock by the several Underwriters through the Representatives shall be made at 10:00 A.M., New York City time, on the date specified in the corresponding notice described in the preceding paragraph or at such other date or place as shall be determined by agreement among the Representatives, the Selling Stockholders and the Company. On the Option Stock Delivery Date, the Selling Stockholders shall deliver or cause to be delivered the Option Stock to

the Representatives for the account of each Underwriter against payment by the several Underwriters through the Representatives and of the respective aggregate purchase prices of the Option Stock being sold by the Selling Stockholders to or upon the order of the Selling Stockholders of the purchase price by wire transfer in immediately available funds to the accounts specified by the Selling Stockholders. Time shall be of the essence, and delivery at the time and place specified pursuant to this Agreement is a further condition of the obligation of each Underwriter hereunder. The Selling Stockholders shall deliver the Option Stock through the facilities of DTC unless the Representatives shall otherwise instruct.

6. *Further Agreements of the Company and the Underwriters*. (a) The Company agrees:

(i) To prepare the Prospectus in a form reasonably approved by the Representatives and to file such Prospectus pursuant to Rule 424(b) of the Rules and Regulations not later than the Commission's close of business on the second business day following the execution and delivery of this Agreement; to make no further amendment or any supplement to the Registration Statement or the Prospectus prior to the last Delivery Date except as provided herein; to advise the Representatives, promptly after it receives notice thereof, of the time when any amendment or supplement to the Registration Statement or the Prospectus has been filed and to furnish the Representatives with copies thereof; to advise the Representatives, promptly after it receives notice thereof, of the issuance by the Commission of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus, of the suspension of the qualification of the Stock for offering or sale in any jurisdiction, of the initiation or threatening of any proceeding or examination for any such purpose or of any request by the Commission for the amending or supplementing of the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus or for additional information; and, in the event of the issuance of any stop order or of any order preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus or suspending any such qualification, to use promptly its best efforts to obtain its withdrawal;

(ii) Upon request by the Representatives, to furnish promptly to each of the Representatives and to counsel for the Underwriters a signed copy of the Registration Statement as originally filed with the Commission, and each amendment thereto filed with the Commission, including all consents and exhibits filed therewith;

(iii) To deliver promptly to the Representatives such number of the following documents as the Representatives shall reasonably request: (A) conformed copies of the Registration Statement as originally filed with the Commission and each amendment thereto (in each case excluding exhibits other than this Agreement and the computation of per share earnings), (B) each Preliminary Prospectus, the Prospectus and any amended or supplemented Prospectus, and (C) each Issuer Free Writing Prospectus; and, if the delivery of a prospectus is required at any time after the date hereof in connection with the offering or sale of the Stock or any other securities relating thereto and if at such time any events shall have occurred as a result of which the Prospectus as then amended or supplemented would include an untrue statement of a material fact or omit to state any

material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary to amend or supplement the Prospectus in order to comply with the Securities Act, to notify the Representatives and, upon their reasonable request, to file such document and to prepare and furnish without charge to each Underwriter and to any dealer in securities as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Prospectus that will correct such statement or omission or effect such compliance;

(iv) To file promptly with the Commission any amendment or supplement to the Registration Statement or the Prospectus that may, in the judgment of the Company or the Representatives, be required by the Securities Act or requested by the Commission;

(v) Prior to filing with the Commission any amendment or supplement to the Registration Statement or the Prospectus, to furnish a copy thereof to the Representatives and counsel for the Underwriters and obtain the consent of the Representatives to the filing, which consent shall not be unreasonably withheld, conditioned or delayed;

(vi) Not to make any offer relating to the Stock that would constitute an Issuer Free Writing Prospectus without the prior written consent of the Representatives, which consent shall not be unreasonably withheld, conditioned or delayed;

(vii) To comply with all applicable requirements of Rule 433 of the Rules and Regulations with respect to any Issuer Free Writing Prospectus; and if at any time after the date hereof any events shall have occurred as a result of which any Issuer Free Writing Prospectus, as then amended or supplemented, would conflict with the information in the Registration Statement, the most recent Preliminary Prospectus or the Prospectus or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or, if for any other reason it shall be necessary to amend or supplement any Issuer Free Writing Prospectus, to notify the Representatives and, upon their reasonable request, to file such document and to prepare and furnish without charge to each Underwriter as many copies as the Representatives may from time to time reasonably request of an amended or supplemented Issuer Free Writing Prospectus that will correct such conflict, statement or omission or effect such compliance;

(viii) As soon as practicable after the Effective Date (it being understood that the Company shall have until at least 410 days or, if the fourth quarter following the fiscal quarter that includes the Effective Date is the last fiscal quarter of the Company's fiscal year, 455 days after the end of the Company's current fiscal quarter), to make generally available to the Company's security holders and to deliver to the Representatives an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the Rules and Regulations (including, at the option of the Company, Rule 158);

(ix) Promptly from time to time to take such action as the Representatives may reasonably request to qualify the Stock for offering and sale under the securities laws of Canada and such other jurisdictions as the Representatives may reasonably request and to comply with such laws so as to permit the continuance of sales and dealings therein in such jurisdictions for as long as may be necessary to complete the distribution of the Stock; *provided* that in connection therewith the Company shall not be required to (i) qualify as a foreign corporation in any jurisdiction in which it would not otherwise be required to so qualify, (ii) file a general consent to service of process in any such jurisdiction or (iii) subject itself to taxation in any jurisdiction in which it would not otherwise be subject;

(x) For a period commencing on the date hereof and ending on the 180th day after the date of the Prospectus (the "**Lock-Up Period**"), not to, directly or indirectly, (1) offer for sale, sell, pledge or otherwise dispose of (or enter into any transaction or device that is designed to, or could be expected to, result in the disposition by any person at any time in the future of) any shares of Common Stock or securities convertible into or exchangeable for Common Stock, or sell or grant options, rights or warrants with respect to any shares of Common Stock or securities convertible into or exchangeable for Common Stock, (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of such shares of Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or other securities, in cash or otherwise, (3) file or cause to be filed a registration statement, including any amendments, with respect to the registration of any shares of Common Stock or securities convertible, exercisable or exchangeable into Common Stock or any other securities of the Company or (4) publicly disclose the intention to do any of the foregoing, in each case without the prior written consent of Barclays Capital Inc. and Jefferies & Company, Inc., on behalf of the Underwriters, except, in each case, for (A) the registration of the offering and sale of the Stock as contemplated by this Agreement, (B) issuances of shares of Common Stock pursuant to employee benefit plans, equity incentive plans, qualified stock option plans or other employee or director compensation plans or arrangements existing on the date hereof or pursuant to currently outstanding options, warrants or rights not issued under one of those plans or arrangements, (C) the grant of options or restricted stock pursuant to equity incentive plans existing on the date hereof, (D) the filing of registration statements on Form S-8 relating to shares of Common Stock which may be issued pursuant to existing equity incentive plans and (E) the registration under the Securities Act and issuance by the Company of shares of Common Stock, in an aggregate amount not to exceed five percent (5%) of the shares of Common Stock outstanding immediately following the time of purchase, in connection with any acquisitions or strategic investments by the Company or any of its subsidiaries so long as such issuances under this clause (E) are conditioned upon the execution by the recipients of a "lock-up" letter agreement substantially in the form of Exhibit A hereto (the "**Lock-Up Agreement**"); provided, however, that if (a) during the last 17 days of the Lock-Up Period, the Company issues an earnings release or material news or material event relating to the Company occurs or (b) prior to the expiration of the Lock-Up Period, the

Company announces that it will release earnings results during the 16-day period beginning on the last day of the Lock-Up Period, then the restrictions imposed in this

paragraph shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or the occurrence of the material event, unless Barclays Capital Inc. and Jefferies & Company, Inc. on behalf of the Underwriters, waive such extension in writing;

(xi) To apply the net proceeds from the sale of the Stock being sold by the Company as set forth as described under the caption "Use of Proceeds" in the Prospectus; and

(xii) In connection with the Directed Share Program, to ensure that the Directed Shares will be restricted from sale, transfer, assignment, pledge or hypothecation to the same extent as sales and dispositions of Common Stock by officers, directors and stockholders of the Company set forth on Schedule 3 hereto are restricted pursuant to the Lock-Up Agreements, and Barclays Capital Inc. will notify the Company as to which Directed Share Participants will need to be so restricted. At the reasonable request of Barclays Capital Inc., the Company will direct the transfer agent to place stop transfer restrictions upon such securities for such period of time as is consistent with the Lock-Up Agreements.

(b) Each Underwriter severally agrees that such Underwriter shall not include any "issuer information" (as defined in Rule 433 of the Rules and Regulations) in any "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations) used or referred to by such Underwriter without the prior consent of the Company (any such issuer information with respect to whose use the Company has given its consent, "**Permitted Issuer Information**"); *provided* that (i) no such consent shall be required with respect to any such issuer information contained in any document filed by the Company with the Commission prior to the use of such free writing prospectus and (ii) "issuer information," as used in this Section 6(b), shall not be deemed to include information prepared by or on behalf of such Underwriter on the basis of or derived from issuer information.

7. *Further Agreements of the Selling Stockholders*. Each Selling Stockholder agrees:

(a) That the Stock to be sold by the Selling Stockholder hereunder, which is represented by the certificates held in custody for the Selling Stockholder, is subject to the interest of the Underwriters and the other Selling Stockholders thereunder, that the arrangements made by the Selling Stockholder for such custody are to that extent irrevocable, and that the obligations of the Selling Stockholder hereunder shall not be terminated by any act of the Selling Stockholder, by operation of law, by the death or incapacity of any individual Selling Stockholder or, in the case of a trust, by the death or incapacity of any executor or trustee or the termination of such trust, or the occurrence of any other event.

(b) Neither the Selling Stockholder nor any person acting on behalf of the Selling Stockholder (other than, if applicable, the Company and the Underwriters) shall use or refer to any "free writing prospectus" (as defined in Rule 405 of the Rules and Regulations), relating to the Stock.

(c) To deliver to the Representatives prior to the Initial Delivery Date a properly completed and executed United States Treasury Department Form W-8 (if the Selling Stockholder is a non-United States person) or Form W-9 (if the Selling Stockholder is a United States person).

8. *Expenses*. The Company agrees, whether or not the transactions contemplated by this Agreement are consummated or this Agreement is terminated, to pay all costs, expenses, fees and taxes incident to and in connection with (a) the authorization, issuance, sale and delivery of the Stock and any stamp duties or other taxes payable in that connection, and the preparation and printing of certificates for the Stock; (b) the preparation, printing and filing under the Securities Act of the Registration Statement (including any exhibits thereto), any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto; (c) the distribution of the Registration Statement (including any exhibits thereto), any Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus and any amendment or supplement thereto, all as provided in this Agreement; (d) the production and distribution of this Agreement, any supplemental agreement among Underwriters, and any other related documents in connection with the offering, purchase, sale and delivery of the Stock; (e) the delivery and distribution of the Custody Agreements and the Powers of Attorney and the fees and expenses of the Custodian (and any other attorney-in-fact); (f) any required review by FINRA of the terms of sale of the Stock (including related fees and expenses of counsel to the Underwriters in an amount, when taken together with the fees and expenses of counsel to the Underwriters incurred in connection with clauses (h) and (i) of this Section 8, that does not exceed $25,000); (g) the listing of the Stock on the New York Stock Exchange and/or any other exchange; (h) the qualification of the Stock under the securities laws of the several jurisdictions as provided in Section 6(a)(ix) and the preparation, printing and distribution of a Blue Sky Memorandum (including related fees and expenses of counsel to the Underwriters in an amount, when taken together with the fees and expenses of counsel to the Underwriters incurred in connection with clauses (f) and (i) of this Section 8, that does not exceed $25,000); (i) the preparation, printing and distribution of one or more versions of the Preliminary Prospectus and the Prospectus for distribution in Canada, including in the form of a Canadian "wrapper" (including related fees and expenses of Canadian counsel to the Underwriters in an amount, when taken together with the fees and expenses of counsel to the Underwriters incurred in connection with clauses (f) and (h) of this Section 8, that does not exceed $25,000); (j) the offer and sale of shares of the Stock by the Underwriters in connection with the Directed Share Program, including the fees and disbursements of counsel to the Underwriters related thereto, the costs and expenses of preparation, printing and distribution of the Directed Share Program material and all stamp duties or other taxes incurred

by the Underwriters in connection with the Directed Share Program; (k) the investor presentations on any "road show" undertaken in connection with the marketing of the Stock, including, without limitation, expenses associated with any electronic roadshow, travel and lodging expenses of the representatives and officers of the Company (but specifically excluding the travel and lodging expenses of the representatives of the Underwriters) and fifty percent (50%) of the cost of any aircraft chartered in connection with the road show; (l) any fees and expenses of counsel or other advisors to the Selling Stockholders; and (m) all other costs and expenses incident to the performance of the obligations of the Company under this Agreement; *provided* that, except as provided in this Section 8 and in Section 13, the Underwriters shall pay their own costs and expenses, including the costs and expenses of their counsel, any transfer taxes on the Stock which they may sell and the expenses

of advertising any offering of the Stock made by the Underwriters, travel and lodging expenses of the Underwriters participating in the road show, and the remaining fifty percent (50%) of the cost of any aircraft chartered in connection with the road show, and the Selling Stockholders shall pay (on a pro rata basis based on the number of shares of Stock to be sold by each Selling Stockholder) any transfer taxes payable in connection with their respective sales of Stock to the Underwriters.

9. *Conditions of Underwriters' Obligations*. The respective obligations of the Underwriters hereunder are subject to the accuracy, when made and on each Delivery Date, of the representations and warranties of the Company and the Selling Stockholders contained herein, to the performance by the Company and the Selling Stockholders of their respective obligations hereunder, and to each of the following additional terms and conditions:

(a) The Prospectus shall have been timely filed with the Commission in accordance with Section 6(a)(i); the Company shall have complied with all filing requirements applicable to any Issuer Free Writing Prospectus used or referred to after the date hereof; no stop order suspending the effectiveness of the Registration Statement or preventing or suspending the use of the Prospectus or any Issuer Free Writing Prospectus shall have been issued and no proceeding or examination for such purpose shall have been initiated or, to the knowledge of the Company, threatened by the Commission; and any request of the Commission for inclusion of additional information in the Registration Statement or the Prospectus or otherwise shall have been complied with.

(b) No Underwriter shall have discovered and disclosed to the Company on or prior to such Delivery Date that the Registration Statement, the Prospectus or the Pricing Disclosure Package, or any amendment or supplement thereto, contains an untrue statement of a fact which, in the opinion of White & Case LLP, counsel for the Underwriters, is material or omits to state a fact which, in the opinion of such counsel, is material and is required to be stated therein or is necessary to make the statements therein not misleading.

(c) All corporate proceedings and other legal matters incident to the authorization, form and validity of this Agreement, the Custody Agreements, the Powers of Attorney, the Stock, the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus shall be reasonably satisfactory in all material respects to counsel for the Underwriters, and the Company and the Selling Stockholders shall have furnished to such counsel all documents and information that they may reasonably request to enable them to pass upon such matters.

(d) Sidley Austin LLP shall have furnished to the Representatives its written opinion, as counsel to the Company, addressed to the Underwriters and dated such Delivery Date, in substantially the form agreed to with counsel to the Underwriters.

(e) The respective counsel for each of the Selling Stockholders shall have furnished to the Representatives their written opinion, as counsel to each of the Selling Stockholders for whom they are acting as counsel, addressed to the Underwriters and

dated such Delivery Date, in substantially the form agreed to with counsel to the Underwriters.

(f) The Representatives shall have received from White & Case LLP, counsel for the Underwriters, such opinion or opinions, dated such Delivery Date, with respect to the issuance and sale of the Stock, the Registration Statement, the Prospectus and the Pricing Disclosure Package and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they reasonably request for the purpose of enabling them to pass upon such matters.

(g) At the time of execution of this Agreement, the Representatives shall have received from Ernst & Young LLP a letter, in form and substance reasonably satisfactory to the Representatives, addressed to the Underwriters and dated the date hereof (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X of the Commission, and (ii) stating, as of the date hereof (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the most recent Preliminary Prospectus, as of a date not more than three days prior to the date hereof), the conclusions and findings of such firm with respect to the financial information and other matters ordinarily covered by accountants' "comfort letters" to underwriters in connection with registered public offerings.

(h) With respect to the letter of Ernst & Young LLP referred to in the preceding paragraph and delivered to the Representatives concurrently with the execution of this Agreement (the "**initial letter**"), the Company shall have furnished to the Representatives a letter (the "**bring-down letter**") of such accountants, addressed to the Underwriters and dated such Delivery Date (i) confirming that they are independent public accountants within the meaning of the Securities Act and are in compliance with the applicable requirements relating to the qualification of accountants under Rule 2-01 of Regulation S-X of the Commission, (ii) stating, as of the date of the bring-down letter (or, with respect to matters involving changes or developments since the respective dates as of which specified financial information is given in the Prospectus, as of a date not more than three days prior to the date of the bring-down letter), the conclusions and findings of such firm with respect to the financial information and other matters covered by the initial letter and (iii) confirming in all material respects the conclusions and findings set forth in the initial letter.

(i) The Representatives shall have received on the Delivery Date a certificate of Jay Peterson, Chief Financial Officer, Senior Vice President, Finance and Secretary, in form and substance reasonably satisfactory to the Representatives.

(j) The Company shall have furnished to the Representatives a certificate, dated such Delivery Date, of its Chief Executive Officer and its Chief Financial Officer stating that:

(i) The representations and warranties of the Company in Section 1 are true and correct on and as of such Delivery Date, and the Company has complied with all its agreements contained herein and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such Delivery Date;

(ii) No stop order suspending the effectiveness of the Registration Statement has been issued; and no proceedings or examination for that purpose have been instituted or, to the knowledge of such officers, threatened; and

(iii) They have carefully examined the Registration Statement, the Prospectus and the Pricing Disclosure Package, and, in their opinion, (A) the Registration Statement, as of the Effective Date, (B) the Prospectus, as of its date and on the applicable Delivery Date, or (C) the Pricing Disclosure Package, as of the Applicable Time, did not and do not contain any untrue statement of a material fact and did not and do not omit to state a material fact required to be stated therein or necessary to make the statements therein (except in the case of the Registration Statement, in the light of the circumstances under which they were made) not misleading, and (B) since the Effective Date, no event has occurred that should have been set forth in a supplement or amendment to the Registration Statement, the Prospectus or any Issuer Free Writing Prospectus that has not been so set forth.

(k) Each Selling Stockholder (or the Custodian or one or more attorneys-in-fact on behalf of the Selling Stockholders) shall have furnished to the Representatives on such Delivery Date a certificate, dated such Delivery Date, signed by, or on behalf of, the Selling Stockholder (or the Custodian or one or more attorneys-in-fact) stating that the representations and warranties of the Selling Stockholder contained herein are true and correct on and as of such Delivery Date and that the Selling Stockholder has complied with all its agreements contained herein and has satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to such Delivery Date.

(l) Except as disclosed in the most recent Preliminary Prospectus, (i) neither the Company nor any of its subsidiaries shall have sustained, since the date of the latest audited financial statements included in the most recent Preliminary Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance, or from any labor dispute or court or governmental action, order or decree or (ii) since such date, there shall not have been any change in the capital stock or long-term debt of the Company or any of its subsidiaries (other than as a result of the grant or exercise of stock options pursuant to equity incentive plans existing on the date hereof and described in the most recent Preliminary Prospectus) or any change in or affecting the condition (financial or otherwise), results of operations, properties, management, business or prospects of the Company and its subsidiaries taken as a whole, the effect of which, in any such case described in clause (i) or (ii), is, in the judgment of the Representatives, so material and adverse as to make it impracticable or inadvisable to proceed with the public offering or the delivery of the Stock being delivered on such Delivery Date on the terms and in the manner contemplated in the Prospectus.

(m) Subsequent to the execution and delivery of this Agreement (i) no downgrading shall have occurred in the rating accorded the Company's debt securities by any "nationally recognized statistical rating organization" (as that term is defined by the Commission for purposes of Rule 436(g)(2) of the Rules and Regulations), and (ii) no such organization shall have publicly announced that it has under surveillance or review, with possible negative implications, its rating of any of the Company's debt securities.

(n) Subsequent to the execution and delivery of this Agreement there shall not have occurred any of the following: (i) trading in securities generally on the New York Stock Exchange or the Nasdaq National Market, or trading in any securities of the Company on any exchange, shall have been suspended or materially limited or the settlement of such trading generally shall have been materially disrupted or minimum prices shall have been established on any such exchange by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction, (ii) a banking moratorium shall have been declared by federal or state authorities, (iii) the United States shall have become engaged in hostilities, there shall have been

an escalation in hostilities involving the United States or there shall have been a declaration of a national emergency or war by the United States or (iv) there shall have occurred such a material adverse change in general economic, political or financial conditions, including, without limitation, as a result of terrorist activities after the date hereof (or the effect of international conditions on the financial markets in the United States shall be such), as to make it, in the judgment of the Representatives, impracticable or inadvisable to proceed with the public offering or delivery of the Stock being delivered on such Delivery Date on the terms and in the manner contemplated in the Prospectus.

(o) The New York Stock Exchange shall have approved the Stock for listing, subject only to official notice of issuance.

(p) The Lock-Up Agreements between the Representatives and the officers, directors and stockholders of the Company set forth on Schedule 3, delivered to the Representatives on or before the date of this Agreement, shall be in full force and effect on such Delivery Date.

All opinions, letters, evidence and certificates mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof only if they are in form and substance reasonably satisfactory to counsel for the Underwriters.

10. *Indemnification and Contribution.*

(a) The Company shall indemnify and hold harmless each Underwriter, its directors, officers and employees and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Stock), to which that Underwriter, director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or

alleged untrue statement of a material fact contained in (A) any Preliminary Prospectus, the Registration Statement, the Prospectus or in any amendment or supplement thereto, (B) any Issuer Free Writing Prospectus or in any amendment or supplement thereto or (C) any Permitted Issuer Information used or referred to in any “free writing prospectus” (as defined in Rule 405 of the Rules and Regulations) used or referred to by any Underwriter, (D) any “road show” (as defined in Rule 433 of the Rules and Regulations) not constituting an Issuer Free Writing Prospectus (a “**Non-Prospectus Road Show**”) or (E) any Blue Sky application or other document prepared or executed by the Company (or based upon any written information furnished by the Company for use therein) specifically for the purpose of qualifying any or all of the Stock under the securities laws of any state or other jurisdiction (any such application, document or information being hereinafter called a “**Blue Sky Application**”) or (ii) the omission or alleged omission to state in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Permitted Issuer Information, any Non-Prospectus Road Show or any Blue Sky Application, any material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus, in light of the circumstances under which such statements were made), and shall reimburse each Underwriter and each such director, officer, employee or controlling person promptly upon demand for any legal or other expenses reasonably incurred by that Underwriter, director, officer, employee or controlling person in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred; *provided*, *however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage, liability or action arises out of, or is based upon, any untrue statement or alleged untrue statement or omission or alleged omission made in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any such amendment or supplement thereto or in any Permitted Issuer Information, any Non-Prospectus Road Show or any Blue Sky Application, in reliance upon and in conformity with written information concerning such Underwriter furnished to the Company through the Representatives by or on behalf of any Underwriter specifically for inclusion therein, which information consists solely of the information specified in Section 10(f). The foregoing indemnity agreement is in addition to any liability which the Company may otherwise have to any Underwriter or to any director, officer, employee or controlling person of that Underwriter.

(b) The Selling Stockholders, severally in proportion to the number of shares of Stock to be sold by each of them hereunder, shall indemnify and hold harmless each Underwriter, its directors, officers and employees, and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof (including, but not limited to, any loss, claim, damage, liability or action relating to purchases and sales of Stock), to which that Underwriter, director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing

Prospectus or in any amendment or supplement thereto or in any Permitted Issuer Information, any Non-Prospectus Road Show, any Blue Sky Application or any “free writing prospectus” (as defined in Rule 405 of the Rules and Regulations), prepared by or on behalf of the Selling Stockholder or used or referred to by the Selling Stockholder in connection with the offering of the Stock in violation of Section 7(b) (a “**Selling Stockholder Free Writing Prospectus**”) or (ii) the omission or alleged omission to state in

any Preliminary Prospectus, Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Permitted Issuer Information, any Non-Prospectus Road Show, any Blue Sky Application or any Selling Stockholder Free Writing Prospectus, any material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any Preliminary Prospectus, the Prospectus or any Issuer Free Writing Prospectus, in light of the circumstances under which such statements were made), and shall reimburse each Underwriter, its directors, officers and employees and each such controlling person promptly upon demand for any legal or other expenses reasonably incurred by that Underwriter, its directors, officers and employees or controlling persons in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred; *provided* that the indemnification provided for in clauses (i) and (ii) of this Section 10(b) only applies to the Selling Stockholder Information contained in or omitted from any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Permitted Issuer Information, any Non-Prospectus Road Show, any Blue Sky Application or any Selling Stockholder Free Writing Prospectus. The liability of each Selling Stockholder under the indemnity agreement contained in this paragraph shall be limited to an amount equal to the net proceeds (before deducting expenses) from the offering of the shares of the Stock purchased under this Agreement received by such Selling Stockholder. The foregoing indemnity agreement is in addition to any liability that the Selling Stockholders may otherwise have to any Underwriter or any officer, employee or controlling person of that Underwriter.

(c) Each Underwriter, severally and not jointly, shall indemnify and hold harmless the Company, each Selling Stockholder, their respective directors, officers and employees, and each person, if any, who controls the Company or such Selling Stockholder within the meaning of Section 15 of the Securities Act, from and against any loss, claim, damage or liability, joint or several, or any action in respect thereof, to which the Company, such Selling Stockholder or any such director, officer, employee or controlling person may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action arises out of, or is based upon, (i) any untrue statement or alleged untrue statement of a material fact contained in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show or Blue Sky Application, or (ii) the omission or alleged omission to state in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show or Blue Sky Application, any material fact required to be stated therein or necessary to make the statements therein not misleading (in the case of any Preliminary

Prospectus, the Prospectus or any Issuer Free Writing Prospectus, in light of the circumstances under which such statements were made), but in each case only to the extent that the untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with written information concerning such Underwriter furnished to the Company through the Representatives by or on behalf of that Underwriter specifically for inclusion therein, which information is limited to the information set forth in Section 10(f). The foregoing indemnity agreement is in addition to any liability that any Underwriter may otherwise have to the Company, such Selling Stockholder or any such director, officer, employee or controlling person.

(d) Promptly after receipt by an indemnified party under this Section 10 of notice of any claim or the commencement of any action, the indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under this Section 10, notify the indemnifying party in writing of the claim or the commencement of that action; *provided*, *however*, that the failure to notify the indemnifying party shall not relieve it from any liability which it may have under this Section 10 except to the extent it has been materially prejudiced by such failure. If any such claim or action shall be brought against an indemnified party, and it shall notify the indemnifying party thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it wishes, jointly with any other similarly notified indemnifying party, to assume the defense thereof with counsel reasonably satisfactory to the indemnified party. After notice from the indemnifying party to the indemnified party of its election to assume the defense of such claim or action, the indemnifying party shall not be liable to the indemnified party under this Section 10 for any legal or other expenses subsequently incurred by the indemnified party in connection with the defense thereof; *provided, however*, that the indemnified party shall have the right to employ counsel to represent jointly the indemnified party and those other indemnified parties and their respective directors, officers, employees and controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought under this Section 10 if (i) the indemnified party and the indemnifying party shall have so mutually agreed; (ii) the indemnifying party has failed within a reasonable time to retain counsel reasonably satisfactory to the indemnified party; (iii) the indemnified party and its directors, officers, employees and controlling persons shall have reasonably concluded, based on the advice of counsel, that there may be legal defenses available to them that are different from, additional to or in conflict with those available to the indemnifying party; or (iv) the named parties in any such proceeding (including any impleaded parties) include both the indemnified parties or their respective directors, officers, employees or controlling persons, on the one hand, and the indemnifying party, on the other hand, and representation of both sets of parties by the same counsel would be inappropriate due to actual or potential differing interests between them, and in any such event the fees and expenses of such separate counsel shall be paid by the indemnifying party. In no event shall the indemnifying party be liable for fees and expenses of more than one counsel (in addition to local counsel) separate from its own counsel for all indemnified parties in connection with any one action or separate but similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances. No indemnifying party shall (i) without the prior written consent of the indemnified parties (which consent shall not be unreasonably withheld, conditioned or delayed), settle or

compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in

respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding and does not include any findings of fact or admissions of fault or culpability as to the indemnified party, or (ii) be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld, conditioned or delayed), but if settled with the consent of the indemnifying party or if there be a final judgment for the plaintiff in any such action (for which timely notice was provided to the indemnifying party in accordance with this Section 10(d)), the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability by reason of such settlement or judgment.

(e) If the indemnification provided for in this Section 10 shall for any reason be unavailable to or insufficient to hold harmless an indemnified party under Section 10(a), 10(b), 10(c) or 10(g) in respect of any loss, claim, damage or liability, or any action in respect thereof, referred to therein, then each indemnifying party shall, in lieu of indemnifying such indemnified party, contribute to the amount paid or payable by such indemnified party as a result of such loss, claim, damage or liability, or action in respect thereof, (i) in such proportion as shall be appropriate to reflect the relative benefits received by the Company and each of the Selling Stockholders, on the one hand, and the Underwriters, on the other, from the offering of the Stock or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company and each of the Selling Stockholders, on the one hand, and the Underwriters, on the other, with respect to the statements or omissions that resulted in such loss, claim, damage or liability, or action in respect thereof, as well as any other relevant equitable considerations. The relative benefits received by the Company and each of the Selling Stockholders, on the one hand, and the Underwriters, on the other, with respect to such offering shall be deemed to be in the same proportion as the total net proceeds from the offering of the Stock purchased under this Agreement (before deducting expenses) received by the Company and each of the Selling Stockholders, on the one hand, and the total underwriting discounts and commissions received by the Underwriters with respect to the shares of the Stock purchased under this Agreement, as set forth in the table on the cover page of the Prospectus, on the other hand. The relative fault shall be determined by reference to whether the untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company, the Selling Stockholders or the Underwriters, the intent of the parties and their relative knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company, the Selling Stockholders and the Underwriters agree that it would not be just and equitable if contributions pursuant to this Section 10(e) were to be determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation that does not take into account the equitable considerations referred to herein. The amount paid or payable by an indemnified party as a result of the loss,

claim, damage or liability, or action in respect thereof, referred to above in this Section 10(e) shall be deemed to include, for purposes of this Section 10(e), any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 10(e), no Underwriter shall be required to contribute any amount in excess of the amount by which the net proceeds from the sale of the Stock underwritten by it exceeds the amount of any damages that such Underwriter has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. Notwithstanding the provisions of this Section 10(e), no Selling Stockholder shall be required to contribute any amount in excess of the amount by which such Selling Stockholder’s net proceeds (before deducting expenses) received by it from the offering of the shares of the Stock purchased under the Agreement exceeds the amount of any damages that such Selling Stockholder has otherwise paid or become liable to pay by reason of any untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters’ obligations to contribute as provided in this Section 10(e) are several in proportion to their respective underwriting obligations and not joint. The Selling Stockholders’ obligations to contribute as provided in this Section 10(e) are several in proportion to the number of shares of Stock to be sold by each of them hereunder.

(f) The Underwriters severally confirm and the Company and each Selling Stockholder acknowledges and agrees that (i) the statements regarding delivery of shares by the Underwriters set forth on the cover page of, (ii) the first two sentences of the second paragraph appearing under the caption “Underwriting—Commissions and Expenses” in, (iii) the second sentence of the third paragraph appearing under the caption “Underwriting—Lock-Up Agreements” in, (iv) the third sentence of the first paragraph appearing under the caption “Underwriting—Offering Price Determination” in, (v) the first paragraph appearing under the caption “Underwriting—Stabilization, Short Positions and Penalty Bids” in, (vi) the third and fourth sentences of the first paragraph appearing under the caption “Underwriting—Electronic Distribution” in, and (vii) the paragraph appearing under the caption “Underwriting—Discretionary Sales” in, the most recent Preliminary Prospectus and the Prospectus are correct and constitute the only information concerning such Underwriters furnished in writing to the Company by or on behalf of the Underwriters specifically for inclusion in any Preliminary Prospectus, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or in any amendment or supplement thereto or in any Non-Prospectus Road Show.

(g) The Company shall indemnify and hold harmless Barclays Capital Inc. (including its directors, officers and employees) and each person, if any, who controls Barclays Capital Inc. within the meaning of Section 15 of the Securities Act (“**Barclays Capital Entities**”), from and against any loss, claim, damage or liability or any action in respect thereof to which any of the Barclays Capital Entities may become subject, under the Securities Act or otherwise, insofar as such loss, claim, damage, liability or action (i) arises out of, or is based upon, any untrue statement or alleged untrue statement of a material fact contained in any material prepared by or with the approval of the Company

for distribution to Directed Share Participants in connection with the Directed Share Program or any omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, (ii) arises out of, or is based upon, the failure of the Directed Share Participant to pay for and accept delivery of Directed Shares that the Directed Share Participant agreed to purchase or (iii) is otherwise related to the Directed Share Program; *provided* that the Company shall not be liable under this clause (iii) for any loss, claim, damage, liability or action that is determined in a final judgment by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of the Barclays Capital Entities. The Company shall reimburse the Barclays Capital Entities promptly upon demand for any legal or other expenses reasonably incurred by them in connection with investigating or defending or preparing to defend against any such loss, claim, damage, liability or action as such expenses are incurred.

11. *Defaulting Underwriters*. If, on any Delivery Date, any Underwriter defaults in the performance of its obligations under this Agreement, the remaining non-defaulting Underwriters shall be obligated to purchase the Stock that the defaulting Underwriter agreed but failed to purchase on such Delivery Date in the respective proportions which the number of shares of the Firm Stock set forth opposite the name of each remaining non-defaulting Underwriter in Schedule 1 hereto bears to the total number of shares of the Firm Stock set forth opposite the names of all the remaining non-defaulting Underwriters in Schedule 1 hereto; *provided, however*, that the remaining non-defaulting Underwriters shall not be obligated to purchase any of the Stock on such Delivery Date if the total number of shares of the Stock that the defaulting Underwriter or Underwriters agreed but failed to purchase on such date exceeds 9.09% of the total number of shares of the Stock to be purchased on such Delivery Date, and any remaining non-defaulting Underwriter shall not be obligated to purchase more than 110% of the number of shares of the Stock that it agreed to purchase on such Delivery Date pursuant to the terms of Section 3. If the foregoing maximums are exceeded, the remaining non-defaulting Underwriters, or those other underwriters satisfactory to the Representatives who so agree, shall have the right, but shall not be obligated, to purchase, in such proportion as may be agreed upon among them, all the Stock to be purchased on such Delivery Date. If the remaining Underwriters or other underwriters satisfactory to the Representatives do not elect to purchase the shares that the defaulting Underwriter or Underwriters agreed but failed to purchase on such Delivery Date, this Agreement (or, with respect to any Option Stock Delivery Date, the obligation of the Underwriters to purchase, and of the Company to sell, the Option Stock) shall terminate without liability on the part of any non-defaulting Underwriter or the Company or the Selling Stockholders, except that the Company will continue to be liable for the payment of expenses to the extent set forth in Sections 8 and 13. As used in this Agreement, the term "Underwriter" includes, for all purposes of this Agreement unless the context requires otherwise, any party not listed in Schedule 1 hereto that, pursuant to this Section 11, purchases Stock that a defaulting Underwriter agreed but failed to purchase.

Nothing contained herein shall relieve a defaulting Underwriter of any liability it may have to the Company and the Selling Stockholders for damages caused by its default. If other Underwriters are obligated or agree to purchase the Stock of a defaulting or withdrawing Underwriter, either the Representatives or the Company may postpone the Delivery Date for up to seven full business days in order to effect any changes that in the reasonable opinion of

counsel for the Company or counsel for the Underwriters may be necessary in the Registration Statement, the Prospectus or in any other document or arrangement.

12. *Termination.* The obligations of the Underwriters hereunder may be terminated by the Representatives by notice given to and received by the Company and the Selling Stockholders prior to delivery of and payment for the Firm Stock if, prior to that time, any of the events described in Sections 9(l), 9(m) and 9(n) shall have occurred or if the Underwriters shall decline to purchase the Stock for any reason permitted under this Agreement.

13. *Reimbursement of Underwriters' Expenses*. If (a) the Company or any Selling Stockholder shall fail to tender the Stock for delivery to the Underwriters for any reason or (b) the Underwriters shall decline to purchase the Stock for any reason permitted under this Agreement (otherwise than pursuant to Section 11), the Company will reimburse the Underwriters for all reasonable out-of-pocket expenses (including reasonable fees and disbursements of counsel) incurred by the Underwriters in connection with this Agreement and the proposed purchase of the Stock, and upon demand the Company shall pay the full amount thereof to the Representatives. If this Agreement is terminated pursuant to Section 11 by reason of the default of one or more Underwriters, the Company shall not be obligated to reimburse any defaulting Underwriter on account of those expenses.

14. *Research Analyst Independence.* The Company acknowledges that the Underwriters' research analysts and research departments are required to be independent from their respective investment banking divisions and are subject to certain regulations and internal policies, and that such Underwriters' research analysts may hold views and make statements or investment recommendations and/or publish research reports with respect to the Company and/or the offering that differ from the views of their respective investment banking divisions. The Company and the Selling Stockholders hereby waive and release, to the fullest extent permitted by law, any claims that the Company or the Selling Stockholders may have against the Underwriters with respect to any conflict of interest that may arise from the fact that the views expressed by their independent research analysts and research departments may be different from or inconsistent with the views or advice communicated to the Company or the Selling Stockholders by such Underwriters' investment banking divisions. The Company and the Selling Stockholders acknowledges that each of the Underwriters is a full service securities firm and as such from time to time, subject to applicable securities laws, may effect transactions for its own account or the account of its customers and hold long or short positions in debt or equity securities of the companies that may be the subject of the transactions contemplated by this Agreement.

15. *No Fiduciary Duty.* The Company and the Selling Stockholders acknowledge and agree that in connection with this offering, sale of the Stock or any other services the Underwriters may be deemed to be providing hereunder, notwithstanding any

preexisting relationship, advisory or otherwise, between the parties or any oral representations or assurances previously or subsequently made by the Underwriters: (i) no fiduciary or agency relationship between the Company, Selling Stockholders and any other person, on the one hand, and the Underwriters, on the other, exists; (ii) the Underwriters are not acting as advisors, expert or otherwise, to either the Company or the Selling Stockholders, including, without limitation, with respect to the determination of the public offering price of the Stock, and such relationship

between the Company and the Selling Stockholders, on the one hand, and the Underwriters, on the other, is entirely and solely commercial, based on arms-length negotiations; (iii) any duties and obligations that the Underwriters may have to the Company or Selling Stockholders shall be limited to those duties and obligations specifically stated herein; and (iv) the Underwriters and their respective affiliates may have interests that differ from those of the Company and the Selling Stockholders. The Company and the Selling Stockholders hereby waive any claims that the Company or the Selling Stockholders may have against the Underwriters with respect to any breach of fiduciary duty in connection with this offering.

16. *Notices, Etc.* All statements, requests, notices and agreements hereunder shall be in writing, and

(a) if to the Underwriters, shall be delivered or sent by mail or facsimile transmission to the Representatives c/o Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019, Attention: Syndicate Registration (Fax: 646-834-8133), with a copy, in the case of any notice pursuant to Section 10(d), to the Director of Litigation, Office of the General Counsel, Barclays Capital Inc., 745 Seventh Avenue, New York, New York 10019;

(b) if to the Company, shall be delivered or sent by mail or facsimile transmission to the address of the Company set forth in the Registration Statement, Attention: General Counsel (Fax: 512-754-2416), with a copy to Sidley Austin LLP, One South Dearborn Street, Chicago, Illinois 60603, Attention: Robert L. Verigan (Fax: 312-853-7036); and

(c) if to any Selling Stockholders, shall be delivered or sent by mail or facsimile transmission to such Selling Stockholder at the address set forth on Schedule 2 hereto.

Any such statements, requests, notices or agreements shall take effect at the time of receipt thereof. The Company and the Selling Stockholders shall be entitled to act and rely upon any request, consent, notice or agreement given or made on behalf of the Underwriters by Barclays Capital Inc. on behalf of the Representatives, and the Company and the Underwriters shall be entitled to act and rely upon any request, consent, notice or agreement given or made on behalf of the Selling Stockholders by the Custodian.

17. *Persons Entitled to Benefit of Agreement.* This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Company, the Selling Stockholders and their respective personal representatives and successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that (A) the representations, warranties, indemnities and agreements of the Company and the Selling Stockholders contained in this Agreement shall also be deemed to be for the benefit of the directors, officers and employees of the Underwriters and each person or persons, if any, who control any Underwriter within the meaning of Section 15 of the Securities Act and (B) the indemnity agreement of the Underwriters contained in Section 10(c) of this Agreement shall be deemed to be for the benefit of the directors of the Company, the officers of the Company who have signed the Registration Statement and any person controlling the Company within the

meaning of Section 15 of the Securities Act. Nothing in this Agreement is intended or shall be construed to give any person, other than the persons referred to in this Section 17, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

18. *Survival.* The respective indemnities, representations, warranties and agreements of the Company, the Selling Stockholders and the Underwriters contained in this Agreement or made by or on behalf of them, respectively, pursuant to this Agreement, shall survive the delivery of and payment for the Stock and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any person controlling any of them.

19. *Definition of the Terms "Business Day" and "Subsidiary".* For purposes of this Agreement, (a) "**business day**" means each Monday, Tuesday, Wednesday, Thursday or Friday that is not a day on which banking institutions in New York are generally authorized or obligated by law or executive order to close and (b) "**subsidiary**" has the meaning set forth in Rule 405 of the Rules and Regulations.

20. *Governing Law.* **This Agreement shall be governed by and construed in accordance with the laws of the State of New York.**

21. *Counterparts.* This Agreement may be executed in one or more counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

22. *Headings.* The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

If the foregoing correctly sets forth the agreement among the Company, the Selling Stockholders and the Underwriters, please indicate your acceptance in the space provided for that purpose below.

Very truly yours,

THERMON GROUP HOLDINGS, INC.

By: ______________________________
Name:
Title:

THE SELLING STOCKHOLDERS NAMED IN SCHEDULE 2 TO THIS AGREEMENT

By: ______________________________
Attorney-in-Fact
Name:
Title:

Accepted:

BARCLAYS CAPITAL INC.
JEFFERIES & COMPANY, INC.

For themselves and as Representatives of the several Underwriters named in Schedule 1 hereto

By BARCLAYS CAPITAL INC.

By: ______________________________
Authorized Representative

By JEFFERIES & COMPANY, INC.

By: ______________________________
Authorized Representative

SCHEDULE 1

Underwriters

Underwriters	**Number of Shares of Firm Stock**	**Number of Shares of Option Stock if Maximum Option Exercised**
Barclays Capital Inc.		
Jefferies & Company, Inc.		
William Blair & Company, L.L.C.		
BMO Capital Markets Corp.		
KeyBanc Capital Markets Inc.		
Total		

SCHEDULE 2

Selling Stockholders

Name and Address of Selling Stockholder	Number of Shares of Firm Stock	Number of Shares of Option Stock
CHS Private Equity V LP 10 South Wacker Drive, Suite 3175 Chicago, Illinois 60606 USA		
CHS Associates V 10 South Wacker Drive, Suite 3175 Chicago, Illinois 60606 USA		
Thompson Street Capital Partners II, L.P. 120 South Central Avenue, Suite 600 Saint Louis, Missouri 63105 USA		
Crown Investment Series LLC — Series 4 222 North LaSalle Street Chicago, Illinois 60601 USA		
Star Investment Series LLC — Series 1 222 North LaSalle Street Chicago, Illinois 60601 USA		
Richard L. Burdick 1024 Spanish Trail New Braunfels, TX 78132 USA		
David P. Ralph 1617 Mikula Place New Braunfels, TX 78130 USA		

Paul E. Irwin 26 Hessenford Dr. Sugar Land, TX 77479 USA		
Jack N. Sigovich 16084 W. Piccadilly Road Goodyear, Arizona 85395 USA		
Min Suk Jung Rm 1602, Cyrux East B/D Suseo-dong, Gangnam-gu, Seoul 135-560 Korea		
Sandra Michalewicz 108 Hill Drive		

San Marcos, TX 78666
USA

Brian McLennan

10436-14 Ave NW
Edmonton, Alberta, T6J 5S9
Canada

Roy Barth

2405 Willow Arbor
San Marcos, TX 78666
USA

Beverly Childers

3715 Leadville Drive
Austin, Texas 78749
USA

Eric Reitler

6361 Rothbury Street
Portage, MI 49024
USA

Kenneth O'Bryant

PO Box 1569
Kyle, Texas 78640-1569
USA

Gary Craig

37 Haliburton Crescent
London, Ontario N6K 2Z1
Canada

Byungho Park

Rm. 4106 Trade Tower
159-1 Samsung-Dong
Gangnam-gu, Seoul 135-72P
Korea

Mike Bruce

168 Reunion Close NW
Airdrie, Alberta T4B 0M3
Canada

Gordon Brown

5924 – 56th Street
Olds, AB T4H 1K4
Canada

Werner Stadler

15 MacEwan Park Pl NW
Calgary, AB T3K 3G2
Canada

Richard Farrugia

1706 Thorburn Dr SE
Airdrie, AB T4A 2E2
Canada

Serge Richardot

19 Rue de la Main Enchantee
77280 Othis
France

John Grant

15082 Warbler Drive
Austin, TX 78734
USA

Gerardo Lopez

652 Purple Sage Dr.
Seguin, TX 78155
USA

Total

SCHEDULE 3

Persons Delivering Lock-Up Agreements

Directors

James A. Cooper
Marcus J. George
Richard E. Goodrich
Brian P. Simmons
Charles A. Sorrentino
Michael W. Press

Officers

Rodney Bingham
George Alexander
Jay Peterson
René van der Salm

Stockholders

CHS Associates V
CHS Private Equity V LP
Thompson Street Capital Partners II, L.P.
Crown Investment Series LLC - Series 4
Star Investment Series LLC - Series 1
Bridget Alexander
Sarah Alexander
John Allison
Fukuo Arimori
Peter Baen
Felipe Barrientos
Roy Barth
John Beene
Evelyne Berger
Lance Bielke
Gordon Brown
William Michael Bruce
Richard Burdick
Beverly Childers
Conrick Holdings Pty Ltd as the trustee for the Conrick Family Trust
Gary Craig
Robert F. Dehm and Marian M. Dehm, Trustees of the Robert F. and Marian M. Dehm Living Trust dated February 15, 2011
Kirk Dippel

Bryan Duhon

David Duval
Richard Farrugia
John Grant
Megan Hernandez
Donald Hirsch
David Jevas
Ralph Knoske
Ganesh Kumar K. S. Achari
Rob Leussink
Chris Lindsay
Jose Cesar Lizcano
Gerardo Lopez
Alexander MacLaine Pont
Brian McLennan
Kenneth O'Bryant
Sam Palmer
ByungHo Park
Mark Pescud
Daniel Ronald Phillips
Frank Rangel
Eric Reitler
Serge Richardot
Paul Ritchie
William J. Roeder
Andrew Russell
Scott Sandlin
David J. & Marilyn J. Schlameus Trust
John Schramm
James Schubert
Chad Sehn
Tanmay Sengupta
Prasad Shetye
Kevin Simpson
Werner Stadler
Mathon Weijers
Duan Xiaohu
BA 2008 GRAT Trust
Bridget Alexander Trust
Frank Lewis & Bonnie Smith Living Trust
Mark Burdick
Richard L. Burdick
Richard Hageman
The Hulett Family 1994 Revocable Trust
Paul Irwin
MinSuk Jung
Sandra Michalewicz
David Ralph

Jack N. Sigovich and Ingried M. Sigovich Revocable Family Trust
Ryan Dennison
Ivonne Salem
James Savage
Anh Thomas
Michael Vint

SCHEDULE 4

Orally Conveyed Pricing Information

1. [*Public offering price*]

2. [*Number of shares offered*]

EXHIBIT A

Form of Lock-Up Letter Agreement

BARCLAYS CAPITAL INC.
745 Seventh Avenue
New York, New York 10019

JEFFERIES & COMPANY, INC.
520 Madison Avenue
New York, New York 10022

As Representatives of the several
Underwriters named in Schedule 1 to the Underwriting Agreement

Ladies and Gentlemen:

The undersigned understands that you and certain other firms (the "**Underwriters**") propose to enter into an Underwriting Agreement (the "**Underwriting Agreement**") providing for the purchase by the Underwriters of shares (the "**Stock**") of Common Stock, par value $0.001 per share (the "**Common Stock**"), of Thermon Group Holdings, Inc., a Delaware corporation (the "**Company**"), and that the Underwriters propose to reoffer the Stock to the public (the "**Offering**").

In consideration of the execution of the Underwriting Agreement by the Underwriters, and for other good and valuable consideration, the undersigned hereby irrevocably agrees that, without the prior written consent of Barclays Capital Inc. and Jefferies & Company, Inc., on behalf of the Underwriters, the undersigned will not, directly or indirectly, (1) offer for sale, sell, pledge, or otherwise dispose of (or enter into any transaction or device that is designed to, or could reasonably be expected to, result in the disposition by any person at any time in the future of) any shares of Common Stock (including, without limitation, shares of Common Stock that may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission (the "**SEC**") and shares of Common Stock that may be issued upon exercise of any options or warrants) or securities convertible into or exercisable or exchangeable for Common Stock (other than the Stock to the extent applicable), (2) enter into any swap or other derivatives transaction that transfers to another, in whole or in part, any of the economic benefits or risks of ownership of shares of Common Stock, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Common Stock or other securities, in cash or otherwise, (3) make any demand for or exercise any right or cause to be filed a registration statement, including any amendments thereto, with respect to the registration of any shares of Common Stock or securities convertible into or exercisable or exchangeable for Common Stock or any other securities of the Company or (4) publicly disclose the intention to do any of the foregoing, in each case, for a period commencing on the date hereof and

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ending on the 180th day after the date of the Prospectus relating to the Offering (such 180-day period, the "**Lock-Up Period**"). For purposes of this Lock-Up Letter Agreement, "**Prospectus**" shall refer to the final prospectus of the Company relating to the Offering filed with the SEC pursuant to Rule 424(b).

Notwithstanding the foregoing, if (1) during the last 17 days of the Lock-Up Period, the Company issues an earnings release or material news or a material event relating to the Company occurs or (2) prior to the expiration of the Lock-Up Period, the Company announces that it will release earnings results during the 16-day period beginning on the last day of the Lock-Up Period, then the restrictions imposed by this Lock-Up Letter Agreement shall continue to apply until the expiration of the 18-day period beginning on the issuance of the earnings release or the announcement of the material news or the occurrence of the material event, unless Barclays Capital Inc. and Jefferies & Company, Inc., on behalf of the Underwriters, waive such extension in writing. The undersigned hereby further agrees that, prior to engaging in any transaction or taking any other action that is subject to the terms of this Lock-Up Letter Agreement during the period from the date of this Lock-Up Letter Agreement to and including the 34th day following the expiration of the Lock-Up Period, it will give notice thereof to the Company and will not consummate such transaction or take any such action unless it has received written confirmation from the Company that the Lock-Up Period (as such may have been extended pursuant to this paragraph) has expired.

Notwithstanding anything to the contrary contained herein, the foregoing restrictions shall not apply to (i) bona fide gifts, sales, transfers or other dispositions of shares of any class of the Company's capital stock or securities convertible into or exchangeable for any class of the Company's capital stock, in each case that are made between and among the undersigned and members of the undersigned's family or affiliates of the undersigned, including its partners (if a partnership), members (if a limited liability company), stockholders (if a corporation) or trusts for the direct or indirect benefit of the undersigned or members of the undersigned's family; (ii) transfers by will or intestacy; (iii) the exercise of an option to purchase shares of Common Stock granted on or prior to the date of the Prospectus under an equity incentive plan of the Company described in the Prospectus, provided that this Lock-Up Letter Agreement shall apply to any shares of Common Stock issued pursuant to such exercise; (iv) transactions relating to shares of Common

Stock or other securities of the Company acquired in open market transactions, block purchases or pursuant to a public offering, in each case occurring after the consummation of the Offering; or (v) the sale of the Stock to the Underwriters pursuant to the Underwriting Agreement; provided that it shall be a condition to any such sale, transfer, exercise or other disposition or transaction, as applicable, that (A) with respect to the foregoing clauses (i) and (ii), the transferee/donee agrees to be bound by the terms of this Lock-Up Letter Agreement (including, without limitation, the restrictions set forth in the preceding sentence) to the same extent as if the transferee/donee were a party hereto; (B) with respect to the foregoing clauses (i), (ii), (iii) and (iv), no filing by any party (donor, donee, transferor, transferee) under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), reporting a

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reduction in beneficial ownership of shares of Common Stock shall be required or shall be voluntarily made during the Lock-Up Period in connection with such transfer, distribution or transaction; and (C) with respect to the foregoing clauses (i), (ii), (iii) and (iv), no party shall voluntarily make any public announcement of a reduction in beneficial ownership of shares of Common Stock in connection with any transfer, disposition or transaction during the Lock-Up Period.

Nothing in this Lock-Up Letter Agreement shall prevent the establishment by the undersigned of any contract, instruction or plan (a "**Plan**") that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act; provided that it shall be a condition to the establishment of any such Plan that no sales of the Company's capital stock shall be made pursuant to such a Plan prior to the expiration of the Lock-Up Period; and provided, further, such a Plan may only be established if no public announcement of the establishment or the existence thereof, and no filing with SEC or any other regulatory authority shall be required or shall be made voluntarily by the undersigned, the Company or any other person, prior to the expiration of the Lock-Up Period .

In furtherance of the foregoing, the Company and its transfer agent are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Lock-Up Letter Agreement.

It is understood that, (i) if the Company notifies the Underwriters that it does not intend to proceed with the Offering, (ii) if the Underwriting Agreement does not become effective, (iii) if the Underwriting Agreement (other than the provisions thereof which survive termination) shall terminate or be terminated prior to payment for and delivery of the Stock, or (iv) if the Company's Registration Statement on Form S-1 of which the Prospectus forms a part is withdrawn, the undersigned will be released from its obligations under this Lock-Up Letter Agreement.

The undersigned understands that the Company and the Underwriters will proceed with the Offering in reliance on this Lock-Up Letter Agreement.

Whether or not the Offering actually occurs depends on a number of factors, including market conditions. Any Offering will only be made pursuant to an Underwriting Agreement, the terms of which are subject to negotiation among the Company, the Selling Stockholders and the Underwriters.

[Signature page follows]

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-Up Letter Agreement and that, upon request, the undersigned will execute any additional documents necessary in connection with the enforcement hereof. Any obligations of the undersigned shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

Very truly yours,

By: ______________________________

Name:
Title:

Dated: ______________________________

Exhibit 5.1

SIDLEY AUSTIN LLP
ONE SOUTH DEARBORN
CHICAGO, IL 60603
(312) 853 7000
(312) 853 7036 FAX

BEIJING
BRUSSELS
CHICAGO
DALLAS
FRANKFURT
GENEVA
HONG KONG
LONDON
LOS ANGELES
NEW YORK
PALO ALTO
SAN FRANCISCO
SHANGHAI
SINGAPORE
SYDNEY
TOKYO
WASHINGTON, D.C.

FOUNDED 1866

April 13, 2011

Thermon Group Holdings, Inc.
100 Thermon Drive
San Marcos, Texas 78666

Re: Thermon Group Holdings, Inc.
Registration Statement on Form S-1 (Registration No. 333-172007)

Ladies and Gentlemen:

We refer to the Registration Statement on Form S-1 (File No. 333-172007) initially filed by Thermon Group Holdings, Inc., a Delaware corporation (the "Company"), with the Securities and Exchange Commission (the "SEC") on February 2, 2011 under the Securities Act of 1933, as amended (the "Securities Act"), as amended by Amendment No. 1 thereto filed with the SEC on March 14, 2011, Amendment No. 2 thereto filed with the SEC on April 1, 2011 and Amendment No. 3 thereto filed with the SEC on the date hereof (such registration statement, as so amended, the "Registration Statement"). The Registration Statement relates to the registration of 11,500,000 shares of common stock, par value $0.001 per share (the "Shares"), of the Company. Of the 11,500,000 Shares, up to 5,425,098 authorized but unissued Shares (including an aggregate of 1,425,098 Shares which may be sold by the Company to the underwriters pursuant to the exercise of the underwriters' option (the "Over-allotment Option") to purchase additional Shares to cover over-allotments under the Underwriting Agreement (as defined below)) may be offered, issued and sold by the Company pursuant to the Registration Statement (the "Primary Shares"), and up to 6,074,902 Shares (the "Secondary Shares") may be offered and sold by the selling stockholders (the "Selling Stockholders") named in the Registration Statement (including an aggregate of 74,902 Shares which may be sold by the Selling Stockholders pursuant to the exercise of the Over-allotment Option). The Shares are to be sold by the Company and the Selling Stockholders pursuant to an underwriting agreement among the Company, the Selling Stockholders and the Underwriters named therein, the form of which has been filed as Exhibit 1.1 to the Registration Statement (the "Underwriting Agreement").

This opinion letter is being delivered in accordance with the requirements of Item 16 of Form S-1 and Item 601(b)(5) of Regulation S-K, each under the Securities Act.

In rendering the opinions expressed below, we have acted as counsel for the Company and have examined and relied upon originals, or copies certified or otherwise identified to our satisfaction, of (i) the Registration Statement, (ii) the form of the Second Amended and Restated Certificate of Incorporation (the "Certificate of Incorporation") of the Company adopted by the Board of Directors and stockholders of the Company and to be filed with the Secretary of State of the State of Delaware prior to the closing of the sale of the Shares contemplated by the Registration Statement and the Underwriting Agreement, filed as Exhibit 3.4 to the Registration Statement, (iii) the form of the Amended and Restated Bylaws (the "Bylaws") of the Company adopted by the Board of Directors of the Company to become effective prior to the closing of the sale of the Shares contemplated by the Registration Statement and the Underwriting Agreement, filed as Exhibit 3.5 to the Registration Statement, (iv) the preliminary prospectus contained within the Registration Statement, (v) the form of the Underwriting Agreement and (vi) such other corporate documents and records of the Company, certificates of public officials and representatives of the Company, and other documents and have examined such questions of law and have satisfied ourselves as to such matters of fact, as we have deemed necessary or appropriate as a basis for the opinions set forth herein. We have assumed the authenticity of all documents submitted to us as originals, the genuineness of all signatures, the legal capacity of all natural persons and the conformity with the original documents of any copies thereof submitted to us for our examination.

We have also assumed that the Certificate of Incorporation to be filed with the Secretary of State of the State of Delaware prior to the closing of the sale of the Shares will be identical in all material respects to the form of the Certificate of Incorporation reviewed by us.

Based upon the foregoing, and subject to the qualifications and limitations set forth herein, we are of the opinion that:

1. The Company has been duly incorporated and is a corporation validly existing and in good standing under the laws of the State of Delaware.

2. The Primary Shares have been duly authorized and will be validly issued, fully paid and non-assessable when (i) the Certificate of Incorporation has been filed with the Secretary of State of the State of Delaware; (ii) the Company's Board of Directors or a duly authorized committee thereof shall have duly adopted final resolutions in conformity with the Certificate of Incorporation determining the pricing and number of Primary Shares to be sold pursuant to the Registration Statement; and (iii) certificates, if any, representing the Primary Shares being issued and sold shall have been duly executed, countersigned and registered and duly delivered to the purchasers thereof against payment of the agreed consideration therefor in excess of the par value of such Primary Shares being issued and sold, all in accordance with the Underwriting Agreement as executed and delivered.

3. The Secondary Shares have been duly authorized and are validly issued, fully paid and non-assessable.

This opinion letter is limited to the General Corporation Law of the State of Delaware. We express no opinion as to matters relating to securities or blue sky laws of any jurisdiction or any rules or regulations thereunder.

We hereby consent to the filing of this opinion letter as an exhibit to the Registration Statement and further consent to the reference to this Firm under the caption "Legal Matters" in the prospectus constituting a part of the Registration Statement. This consent is not to be construed as an admission that we are a party whose consent is required to be filed with the Registration Statement under Section 7 of the Securities Act or the rules and regulations of the SEC promulgated thereunder.

Very truly yours,

/s/ Sidley Austin LLP

Exhibit 10.3

CONSENT AND SECOND AMENDMENT TO CREDIT AGREEMENT

THIS CONSENT AND SECOND AMENDMENT TO CREDIT AGREEMENT (this "Amendment") is entered into as of April 12, 2011 by and among **THERMON INDUSTRIES, INC.**, a Delaware corporation (the "US Borrower"), **THERMON CANADA INC.**, a Nova Scotia company (the "Canadian Borrower"; and, together with the US Borrower, each a "Borrower" and collectively, the "Borrowers"), the other Persons party hereto that are designated as a "Credit Party" on the signature pages hereof, **GENERAL ELECTRIC CAPITAL CORPORATION**, a Delaware corporation, as US Agent and as a Lender, **GE CANADA FINANCING HOLDING COMPANY**, as Canadian Agent (together with US Agent, each an "Agent" and collectively, the "Agents") and as a Lender, and the other **LENDERS** signatory hereto.

W I T N E S S E T H:

WHEREAS, Borrowers, the other Credit Parties, the Agents, and the Lenders are parties to that certain Credit Agreement dated as of April 30, 2010 (as the same has been and may hereafter be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement");

WHEREAS, Parent, the ultimate parent entity of the Credit Parties has proposed to effectuate an initial public offering of shares of its common stock , par value $0.001 per share, to be underwritten on a firm commitment basis by a group of underwriters (collectively, the "Underwriters") (the "Thermon IPO"), pursuant to a registration statement on Form S-1, registration statement number 333-172007 (such registration statement, including any amendments thereto and prospectuses included therein, the "Registration Statement" and, together with the underwriting agreement relating to the Thermon IPO to be entered into by Parent with the Underwriters and the selling stockholders identified therein, in substantially the form provided to the Agents prior to the date hereof, the "Offering Documents), as filed with the U.S. Securities and Exchange Commission (the "SEC"), a result of which shall be that Sponsor and its Controlled Investment Affiliates shall cease to own, directly or indirectly, at least 50% of the issued and outstanding Stock of Holdings, and Sponsor shall cease to own beneficially, directly or indirectly, at least fifty percent (50%) of the issued and outstanding voting Stock of Holdings or Stock representing voting control of Holdings;

WHEREAS, the Credit Parties have therefore requested that the Agents and the Lenders consent to the Thermon IPO and certain transactions contemplated to occur in connection therewith and to amend certain provisions of the Credit Agreement, and, subject to the satisfaction of the conditions set forth herein, the Agents and the Lenders signatory hereto are willing to do so, on the terms set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements, provisions and covenants contained herein, the parties agree as follows:

1. Defined Terms; Recitals. Capitalized terms used but not defined herein shall have the meanings ascribed to them in the Credit Agreement. The Recitals set forth above (including

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defined terms set forth therein) are incorporated into this Amendment and made a part hereof.

2. Limited Consent. Upon satisfaction of the conditions precedent set forth in Section 4 hereof, and in reliance upon the representations and warranties of the Credit Parties set forth in the Credit Agreement and in this Amendment, and notwithstanding anything to the contrary contained in the Credit Agreement or any other Loan Document, Agents and the Lenders hereby consent to (i) the consummation prior to September 30, 2011 of the Thermon IPO pursuant to, and in accordance with, the Offering Documents, (ii) the termination of the Management Agreement and, in connection therewith, the payment by the Credit Parties of the Management Agreement Termination Fee (as defined in the Credit Agreement, as amended hereby), in each case, concurrently with the consummation of the Thermon IPO and (iii) the prepayment of a portion of the Second Lien Indebtedness in an aggregate principal amount not to exceed $52,500,000 (plus any premium or prepayment fee required to be paid in connection therewith) with the Net Issuance Proceeds of the Thermon IPO and cash on hand of the US Credit Parties promptly following the consummation of the Thermon IPO; provided, to the extent cash on hand of the US Credit Parties is used to fund a portion of such prepayment, the conditions to voluntary prepayments of the Second Lien Indebtedness set forth in Section 5.11(k)(ii) of the Credit Agreement shall be satisfied. The consents contained in this Section 2 are limited consents and (I) shall only be relied upon and used for the specific purposes set forth herein, (II) shall not constitute nor be deemed to constitute a waiver of any term or condition of the Credit Agreement and the other Loan Documents, (III) shall not constitute nor be deemed to constitute a consent by any Agent or any Lender to anything other than the specific purposes set forth herein and (IV) shall not constitute a custom or course of dealing among the parties hereto.

3. Amendments to Credit Agreement. Upon satisfaction of the conditions set forth in Section 4 hereof, the Credit Agreement is hereby amended as follows:

a. Section 1.8 of the Credit Agreement is hereby amended by deleting subsection (d) thereof in its entirety and substituting the following therefor:

"(d) Issuance of Securities. Promptly upon the receipt by any Credit Party or any Subsidiary of any Credit Party of the Net Issuance Proceeds of the incurrence of Indebtedness or issuance of debt securities (other than Net Issuance Proceeds from the issuance of debt securities in respect of Indebtedness permitted hereunder), Holdings shall deliver, or cause to be delivered, to the Appropriate Agent an amount equal to such Net Issuance Proceeds, for application

to the Loans in accordance with subsection 1.8(e).”

b. Section 4.1 of the Credit Agreement is hereby amended by deleting subsections (a) and (b) thereof in their entirety and substituting the following, respectively, therefor:

“(a) for each Fiscal Year, as soon as available, but not later than the date (such date, the “Annual Reporting Deadline”) that is the earliest of (I) ninety (90) days after the end of such Fiscal Year, (II) two Business Days after the filing by Holdings with the SEC of an annual report on Form 10-K for such Fiscal Year, and (III) the deadline for Holdings’ filing with the SEC of such annual report on

Form 10-K for such Fiscal Year (without giving effect to any extensions that may be permitted pursuant to Rule 12b-25 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), a copy of the audited consolidated balance sheets of Holdings and each of its Subsidiaries as at the end of such Fiscal Year and the related consolidated and consolidating statements of income or operations and consolidated statements of shareholders’ equity and cash flows for such Fiscal Year, setting forth in each case in comparative form the figures for the previous Fiscal Year, and accompanied by the report of any “Big Four” or other independent public accounting firm reasonably acceptable to Agent (the “Auditors”), which report shall (i) contain an unqualified opinion of the Auditors, stating that such consolidated financial statements present fairly in all material respects the financial position for the periods indicated and are in conformity with GAAP applied on a basis consistent with prior years (an “Unqualified Opinion”) and (ii) not include any explanatory paragraph expressing substantial doubt as to going concern status (a “Going Concern Qualifier”); provided, it is expressly acknowledged and agreed, that, for any Fiscal Year, delivery to US Agent by the Annual Reporting Deadline of an annual report on Form 10-K of Holdings for such Fiscal Year, containing the required financial statements and an Unqualified Opinion thereon (without a Going Concern Qualifier) and all of the other financial and other information required to be included therein, and otherwise in compliance with applicable rules of the SEC, as filed with the SEC, shall be deemed to constitute the Credit Parties’ compliance with this subsection 4.1(a); and

(b) for each Fiscal Quarter (including the last Fiscal Quarter of each Fiscal Year), as soon as available, but not later than the date (such date, the “Quarterly Reporting Deadline”) that is the earliest of (I) forty-five (45) days after the end of such Fiscal Quarter, or (II) unless such Fiscal Quarter is the last Fiscal Quarter of the Fiscal Year, the earlier of (A) two Business Days after the filing by the Company with the SEC of a quarterly report on Form 10-Q for such Fiscal Quarter, and (III) the deadline for the Company’s filing with the SEC of such quarterly report on Form 10-Q for such Fiscal Quarter (without giving effect to any extensions that may be permitted pursuant to Rule 12b-25 under the Exchange Act), a copy of the unaudited consolidated and consolidating balance sheets of Holdings and each of its Subsidiaries as of the end of such Fiscal Quarter, and the related consolidated and consolidating statements of income and consolidated statements of shareholders’ equity and cash flows for such Fiscal Quarter and for the portion of the Fiscal Year then ended, all certified on behalf of the Borrowers by an appropriate Responsible Officer of Holdings as being complete and correct and fairly presenting, in all material respects, in accordance with GAAP, the financial position and the results of operations of Holdings and its Subsidiaries, subject to normal year-end adjustments and absence of footnote disclosures; provided, it is expressly acknowledged and agreed, that, for any Fiscal Quarter other than the last Fiscal Quarter of any Fiscal Year, delivery to US Agent by the Quarterly Reporting Deadline of a quarterly report on Form 10-Q of Holdings, containing the required financial statements reviewed by the Auditors

in accordance with SAS 100 and all of the other financial and other information required to be included therein, and otherwise in compliance with applicable rules of the SEC, as filed with the SEC, shall be deemed to constitute the Credit Parties’ compliance with this subsection 4.1(b);

Notwithstanding the foregoing, the obligations in paragraphs (a) and (b) of this Section 4.1 may be satisfied with respect to financial information of Holdings and each of its Subsidiaries by furnishing, in each case, by the Annual Reporting Deadline or Quarterly Reporting Deadline, as applicable, the applicable consolidated financial statements of Parent and its Subsidiaries, or Parent’s Form 10-K or Form 10-Q, as applicable, each as filed with the SEC, accompanied in each case by consolidating financial information that explains in detail reasonably satisfactory to US Agent the differences between the information relating to Parent, on the one hand, and the information relating to Holdings and each of its Subsidiaries on a standalone basis, on the other hand, and, in any event, to the extent such information is in lieu of information required to be provided under Section 4.1(a), such financial statements are accompanied by an Unqualified Opinion thereon (without a Going Concern Qualifier).

c. Section 4.2 of the Credit Agreement is hereby amended by deleting subsection (c) thereof in its entirety and substituting “reserved;” therefor.

d. Section 4.2 of the Credit Agreement is hereby amended by deleting subsection (f) thereof in its entirety and substituting the following therefor:

“(f) as soon as available and in any event no later than forty-five (45) days after the beginning of each Fiscal Year of the Borrowers, projections of the Credit Parties (and their Subsidiaries’) consolidated and consolidating financial

performance for such Fiscal Year on a Fiscal Quarter by Fiscal Quarter basis;"

e. Section 5.5 of the Credit Agreement is hereby amended by deleting subsections (p) and (q) thereof in their entirety and substituting the following, respectively, therefor:

"(p) Indebtedness consisting of (i) letter of credit and/or revolving credit facilities (other than the ABN LC Facility) of Foreign Subsidiaries (other than Canadian Credit Parties) existing on the Closing Date and set forth on Schedule 5.5(p), (ii) one or more letter of credit and/or revolving credit facilities of Foreign Subsidiaries organized under the laws of the Republic of Korea obtained after the Closing Date provided the aggregate commitments of all such letter of credit facilities do not exceed the US Dollar Equivalent of $1,500,000, (iii) one or more letter of credit and/or revolving credit facilities of Foreign Subsidiaries organized under the laws of Japan obtained after the Closing Date provided the aggregate commitments of all such letter of credit and revolving credit facilities do not exceed the US Dollar Equivalent of $1,500,000, (iv) the ABN LC Facility and increases thereto representing additional Indebtedness thereunder not in excess of the US Dollar Equivalent of $3,000,000, (v) increases

to any of the foregoing letter of credit and/or revolving credit facilities or new letter of credit and/or revolving credit facilities, in either case, made available to such Foreign Subsidiaries representing additional Indebtedness thereof not in excess of the US Dollar Equivalent of $5,000,000 in aggregate, and (vi) Permitted Refinancings thereof;

(q) Indebtedness (not otherwise described in subsection 5.5(p)) of Foreign Subsidiaries (other than Canadian Credit Parties) (i) existing on the Closing Date and set forth on Schedule 5.5(q), (ii) increases to such Indebtedness in an aggregate amount not to exceed the US Dollar Equivalent of $1,500,000, (iii) incurred after the Closing Date in an aggregate amount not to exceed the US Dollar Equivalent of $4,000,000, and (iv) Permitted Refinancings of the foregoing; provided, in no event shall any such Indebtedness be guaranteed by any Credit Party or shall any Credit Party have any obligation in respect thereof or grant any security therefor (except, solely with respect to guarantees by Credit Parties of such Indebtedness, to the extent expressly permitted pursuant to subsection 5.9(j));"

f. Section 5.7 of the Credit Agreement is hereby amended by deleting the reference to "$100,000" appearing in subsection (b) thereof and substituting "$250,000" therefor.

g. Section 5.7 of the Credit Agreement is hereby amended by deleting subsections (c), (d) and (f) thereof in their entirety and substituting "reserved", in each case, therefor.

h. Section 5.11 of the Credit Agreement is hereby amended by deleting subsection (i) thereof in its entirety and substituting "reserved" therefor.

i. Subsection 7.1(k) of the Credit Agreement is hereby amended by deleting such subsection in its entirety and substituting the following therefor:

"(k) Ownership. (i) any person or group of persons (within the meaning of Section 13(d) or Section 14(d) of the Securities Exchange Act of 1934, as amended) other than Sponsor, Sponsor's Controlled Investment Affiliates or the Additional Management Advisors shall have acquired (or have the right to acquire) beneficial ownership (within the meaning of Rules 13d-3 and 13d-5 promulgated by the SEC under said Act) of thirty-five percent (35%) or more of the outstanding shares (or of the combined voting power) of the Stock of Parent entitled to vote generally in the election of directors of Parent; or (ii) Parent ceases to own, directly or indirectly, one hundred percent (100%) of the issued and outstanding Stock and Stock Equivalents of Holdings; or (iii) Holdings ceases to own one hundred percent (100%) of the issued and outstanding Stock and Stock Equivalents of each Borrower, in each instance in clauses (ii) and (iii), free and clear of all Liens, rights, options, warrants or other similar agreements or understandings, other than Liens in favor of Agents, for the benefit of the Secured Parties, Subordinated Second Liens and other Permitted Liens; or (iv) a "Change of Control" (as defined in the Second Lien Indebtedness Documents) shall occur;

or"

j. Section 11.1 of the Credit Agreement is hereby amended by deleting the definitions of "ABN LC Facility" and "Excluded Equity Issuance" thereof in their entirety and substituting the following definitions, respectively, therefor:

"ABN LC Facility" means that certain Credit Agreement Letter dated as of December 15, 2005 by and among Thermon Europe B.V., Thermon Benelux B.V. and ABN AMRO Bank N.V. (including its successor, New HBU II N.V.), together with any new letter of credit and/or revolving credit facilities made available to such Foreign Subsidiaries by ABN AMRO Bank N.V. or another comparable bank or financial institution that replace or refinance such Credit Agreement and that do not provide for (i) a maximum principal amount of Indebtedness in excess of that available under such Credit Agreement, (ii) interest rates and fees that, in the reasonable, good faith business judgment of the Borrowers, materially exceed then-prevailing market rates and fees or (ii) terms and conditions (including, but not limited to, representations and warranties, covenants and events of default) materially more burdensome for or restrictive upon such

Foreign Subsidiaries, in each case, as agreements may be amended, restated, supplemented or otherwise modified from time to time to the extent not prohibited hereunder.

"Excluded Equity Issuance" means Net Issuance Proceeds resulting from the issuance of (a) Stock or Stock Equivalents by Holdings to directors, management or employees of a Credit Party, (b) Stock or Stock Equivalents by a Subsidiary of a Borrower to such Borrower or another Subsidiary of such Borrower constituting an Investment permitted hereunder, (c) Stock or Stock Equivalents by a Borrower to Holdings constituting an Investment permitted hereunder, (d) Stock or Stock Equivalents by a Foreign Subsidiary of such Foreign Subsidiary to qualify directors where required pursuant to a Requirement of Law or to satisfy other requirements of applicable law, in each instance, with respect to the ownership of Stock of Foreign Subsidiaries and (e) Stock or Stock Equivalents of Holdings, to the extent the proceeds thereof are used to finance Capital Expenditures or Permitted Acquisitions.

k. Section 11.1 of the Credit Agreement is hereby amended by adding the following definitions thereto in applicable alphabetical order:

"Management Agreement Termination Fee" means the fee in the aggregate amount of $7,400,000 payable by the Credit Parties to Sponsor and the Additional Management Advisors upon consummation of the Thermon IPO in connection with the termination of the Management Agreement.

"SEC" means the Securities and Exchange Commission, or any successor agency thereto.

"Second Amendment" means that certain Consent and Second Amendment to Credit Agreement dated as of April 12, 2011 by and among Borrowers, the other Credit Parties, Agents and the Lenders party thereto.

l. Section 11.1 of the Credit Agreement is hereby amended by deleting the definition of "Closing Fee Agreement" in its entirety.

m. Exhibit 4.2(b) to the Credit Agreement (Form of Compliance Certificate) is hereby amended by deleting such exhibit in its entirety and substituting the revised form of Compliance Certificate attached hereto as Exhibit A therefor.

4. Conditions. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

a. the execution and delivery of this Amendment by each Credit Party, Agents and the Required Lenders;

b. the Credit Parties shall have delivered to US Agent duly executed and effective copies of each of the Offering Documents and written evidence of the termination of the Management Agreement;

c. the truth and accuracy of the representations and warranties contained in Section 5 hereof as of the date of such effectiveness; and

d. no Default or Event of Default exists as of the date of such effectiveness or shall arise as a direct result of this Amendment.

5. Representations and Warranties. Each Credit Party hereby represents and warrants to each Agent and each Lender as follows:

a. the representations and warranties made by such Credit Party contained in the Loan Documents are true and correct in all material respects (without duplication of any materiality qualifier contained therein) as of the date hereof, except to the extent such representation or warranty expressly relates to an earlier date (in which case, such representations and warranties were true and correct in all material respects as of such earlier date (without duplication of any materiality qualifier contained therein));

b. such Credit Party is a corporation or limited liability company, duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or formation, as applicable;

c. such Credit Party has the power and authority to execute, deliver and perform its obligations under this Amendment and the Credit Agreement, as amended hereby;

d. the execution, delivery and performance by such Credit Party of this

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Amendment and the Credit Agreement, as amended hereby, have been duly authorized by all necessary action and do not and will not (i) contravene the terms of any of such Credit Party's Organization Documents, (ii) conflict with or result in any material breach or contravention of, or result in the creation of any Lien (other than Permitted Liens) under, any Related Agreement or any other document evidencing any material Contractual Obligation to which such Credit Party is a party or any material order, injunction, writ or decree of any Governmental Authority to which such Credit Party or its Property is subject, or (iii) violate any

material Requirement of Law in any material respect;

e. this Amendment and the Credit Agreement, as amended hereby, constitutes the legal, valid and binding obligation of such Credit Party, enforceable against such Person in accordance with their terms, except as enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditor's rights generally or by equitable principles relating to enforceability; and

f. no Default or Event of Default exists or will arise as a direct result of this Amendment.

6. No Modification. Except as expressly set forth herein, nothing contained herein shall be deemed to constitute a waiver of compliance with any term or condition contained in the Credit Agreement or any of the other Loan Documents or constitute a course of conduct or dealing among the parties. Except as expressly stated herein, the Agents and Lenders reserve all rights, privileges and remedies under the Loan Documents. Except as amended or consented to hereby, the Credit Agreement and other Loan Documents remain unmodified and in full force and effect. All references in the Loan Documents to the Credit Agreement shall be deemed to be references to the Credit Agreement as amended hereby.

7. Counterparts. This Amendment may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart. Delivery of an executed signature page of this Amendment by facsimile transmission or Electronic Transmission shall be as effective as delivery of a manually executed counterpart hereof.

8. Successors and Assigns. The provisions of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns; provided that none of the Credit Parties may assign or transfer any of its rights or obligations under this Amendment without the prior written consent of US Agent.

9. Further Assurance. Each Borrower hereby agrees from time to time, as and when requested by US Agent or Lenders, to execute and deliver or cause to be executed and delivered, all such documents, instruments and agreements and to take or cause to be taken such further or other action as US Agent or such Lenders may reasonably deem necessary or desirable in order to carry out the intent and purposes of this Amendment, the Credit Agreement and the Loan

Documents.

10. Governing Law and Jurisdiction.

(a) Governing Law. The laws of the State of Illinois shall govern all matters arising out of, in connection with or relating to this Amendment, including, without limitation, its validity, interpretation, construction, performance and enforcement.

(b) Submission to Jurisdiction. Any legal action or proceeding with respect to this Amendment may be brought in the courts of the State of Illinois located in the City of Chicago, Illinois, or of the United States of America sitting in Chicago, Illinois and, by execution and delivery of this Amendment, each Credit Party hereby accepts for itself and in respect of its property, generally and unconditionally, the jurisdiction of the aforesaid courts. The parties hereto hereby irrevocably waive any objection, including any objection to the laying of venue or based on the grounds of forum non conveniens, that any of them may now or hereafter have to the bringing of any such action or proceeding in such jurisdictions.

(c) Service of Process. Each Credit Party hereby irrevocably waives personal service of any and all legal process, summons, notices and other documents and other service of process of any kind and consents to such service in any suit, action or proceeding brought in the United States of America with respect to or otherwise arising out of or in connection with this Agreement by any means permitted by applicable Requirements of Law, including by the mailing thereof (by registered or certified mail, postage prepaid) to the address of such Person specified in the Credit Agreement (and shall be effective when such mailing shall be effective, as provided therein). Each Credit Party agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

(d) Non-Exclusive Jurisdiction. Nothing contained in this Section 10 shall affect the right of any Agent to serve process in any other manner permitted by applicable Requirements of Law or commence legal proceedings or otherwise proceed against any Credit Party in any other jurisdiction.

11. Severability. The illegality or unenforceability of any provision of this Amendment or any instrument or agreement required hereunder shall not in any way affect or impair the legality or enforceability of the remaining provisions of this Amendment or any instrument or agreement required hereunder.

12. Reaffirmation. Each of the Credit Parties as debtor, grantor, pledgor, guarantor, assignor, or in other any other similar capacity in which such Credit Party grants liens or security interests in its property or otherwise acts as accommodation party or guarantor, as the case may

be, hereby (i) ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under each of the Loan Documents to which it is a party (after giving effect hereto) and (ii) to the extent such Credit Party granted liens on or security interests in any of its property pursuant to any such Loan Document as security for or otherwise guaranteed the Borrowers' Obligations under or with respect to the Loan Documents, ratifies and reaffirms such guarantee and grant of security interests and liens and confirms and agrees that such security interests and liens hereafter secure all of the Obligations as amended hereby. Each of the Credit Parties hereby consents to this Amendment and acknowledges that each of the Loan Documents remains in full force and effect and is hereby ratified and reaffirmed. The execution of this Amendment shall not operate as a waiver of any right, power or remedy of the Agents or Lenders, constitute a waiver of any provision of any of the Loan Documents or serve to effect a novation of the Obligations.

13. Release of Claims. In consideration of the Lenders' and the Agents' agreements contained in this Amendment, each Credit Party hereby irrevocably releases and forever discharge the Lenders and the Agents and their affiliates, subsidiaries, successors, assigns, directors, officers, employees, agents, consultants and attorneys (each, a "Released Person") of and from any and all claims, suits, actions, investigations, proceedings or demands, whether based in contract, tort, implied or express warranty, strict liability, criminal or civil statute or common law of any kind or character, known or unknown, which such Credit Party ever had or now has against any Agent, any Lender or any other Released Person which relates, directly or indirectly, to any acts or omissions of any Agent, any Lender or any other Released Person relating to the Credit Agreement or any other Loan Document on or prior to the date hereof.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment as of the date set forth above.

BORROWERS:

THERMON INDUSTRIES, INC., a Delaware corporation, as US Borrower

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President and Assistant Secretary

THERMON CANADA INC., a Nova Scotia company, as Canadian Borrower

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: Treasurer

IN WITNESS WHEREOF, each of the undersigned has executed this Amendment as of the date set forth above.

CREDIT PARTIES:

THERMON HOLDING CORP., a Delaware corporation, as a Credit Party

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President and Chief Executive Officer

THERMON MANUFACTURING COMPANY, a Texas corporation, as a Credit Party

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President and Chief Executive Officer

THERMON HEAT TRACING SERVICES, INC., a Texas

corporation, as a Credit Party

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President and Assistant Secretary

THERMON HEAT TRACING SERVICES-I, INC., a Texas corporation, as a Credit Party

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President, Assistant Secretary and Assistant Treasurer

THERMON HEAT TRACING SERVICES-II, INC., a Louisiana corporation, as a Credit Party

By: /s/ Rodney Bingham
Name: Rodney Bingham
Title: President, Assistant Secretary and Assistant Treasurer

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IN WITNESS WHEREOF, each of the undersigned has executed this Amendment as of the date set forth above.

AGENTS AND LENDERS:

GENERAL ELECTRIC CAPITAL CORPORATION, as US Agent and as a Lender

By: /s/ Mark Birkett
Name: Mark Birkett
Title: Duly Authorized Signatory

GE CANADA FINANCE HOLDING COMPANY, as Canadian Agent and as a Lender

By: /s/ Richard Zeni
Name: Richard Zeni
Title: Duly Authorized Signatory

BANK OF MONTREAL, as a US Lender and as a Canadian Lender

By: /s/ Dan Weeks
Name: Dan Weeks
Title: Vice President

KEYBANK NATIONAL ASSOCIATION, as a Lender

By: /s/ Ryan Pastore
Name: Ryan Pastore
Title: Vice President

EXHIBIT A

Revised form of Compliance Certificate

See attached.

EXHIBIT 4.2(b)
COMPLIANCE CERTIFICATE

THERMON INDUSTRIES, INC., as the US Borrower
THERMON CANADA INC., as the Canadian Borrower

Date: , 201

This Compliance Certificate (this "Certificate") is given by Thermon Holding Corp., a Delaware corporation ("Holdings"), pursuant to subsection 4.2(b) of that certain Credit Agreement dated as of April 30, 2010 by and among Thermon Industries, Inc., a Texas corporation (the "US Borrower"), and Thermon Canada Inc., a Nova Scotia company (the "Canadian Borrower"; the US Borrower and the Canadian Borrower are referred to herein each individually as a "Borrower" and together as the "Borrowers"), Holdings, as a Credit Party, the other Credit Parties party thereto, General Electric Capital Corporation, as administrative agent (in such capacity, "US Agent") for the financial institutions from time to time party to the Credit Agreement described herein with a US Revolving Loan Commitment (as defined in the Credit Agreement described herein) (the "US Lenders"), the US Lenders, GE Canada Holding Finance Company, a Nova Scotia unlimited liability company, as administrative agent (in such capacity, "Canadian Agent") for the financial institutions from time to time party to the Credit Agreement described herein with a Canadian Revolving Loan Commitment (as defined in the Credit Agreement described herein) (the "Canadian Lenders"), and the Canadian Lenders party thereto (as such agreement may be amended, restated, supplemented or otherwise modified from time to time, the "Credit Agreement"). Capitalized terms used herein without definition shall have the meanings set forth in the Credit Agreement.

The officer executing this Certificate is a Responsible Officer of Holdings and as such is duly authorized to execute and deliver this Certificate on behalf of Holdings and the Borrowers. By executing this Certificate, such officer hereby certifies to Agents, the Lenders and L/C Issuers, on behalf of Holdings, that:

(a) the financial statements delivered with this Certificate in accordance with subsection 4.1(a) and/or 4.1(b) of the Credit Agreement are correct and complete and fairly present, in all material respects, in accordance with GAAP the financial position and the results of operations of Holdings and its Subsidiaries as of the dates of and for the periods covered by such financial statements (subject, in the case of interim financial statements, to normal year-end adjustments and the absence of footnote disclosure);

(b) to the best of such officer's knowledge, no Default or Event of Default has occurred and is continuing **[except as specified on the written attachment hereto];**

(c) based on the financial statements described in clause (a), Exhibit A hereto is a correct calculation of the financial covenant contained in Article VI of the Credit Agreement **[[only required to be provided with respect to Certificates delivered for the last fiscal month of each Fiscal Quarter for which average daily Aggregate Availability (as calculated**

in the Borrowing Base Certificate) for the applicable period is less than the Applicable Minimum Availability Threshold]]; and

(d) since the Closing Date and except as disclosed in prior Certificates delivered to Agent, no Credit Party and no Subsidiary of any Credit Party has:

(i) changed its legal name, identity, jurisdiction of incorporation, organization or formation or organizational structure or formed or acquired any Subsidiary except as follows: ;

(ii) acquired the assets of, or merged or consolidated with or into, any Person pursuant to an Acquisition, except as follows: ; or

(iii) changed its address or otherwise relocated, acquired fee simple title to any real property or entered into any real property leases, except as follows: .

IN WITNESS WHEREOF, Holdings has caused this Certificate to be executed by one of its Responsible Officers this day of , 20 .

THERMON HOLDING CORP., a Delaware corporation

By: ____________________
Name: ____________________
Title: ____________________

Note: Unless otherwise specified, all financial covenants and calculations are calculated for Holdings and its Subsidiaries on a consolidated basis in accordance with GAAP and all calculations are without duplication. All calculations shall be expressed in US Dollar Equivalent.

EXHIBIT A TO EXHIBIT 4.2(b)
COMPLIANCE CERTIFICATE

Covenant 6.1 Fixed Charge Coverage

Fixed Charge Coverage is defined as follows:

Fixed Charge Cash Flow:

(Y)	Cash Flow (per Part II of Exhibit B)	$

Fixed Charges:(1)

Net Interest Expense:

Gross interest expense for such period paid or required to be paid in cash (including all commissions, discounts, fees and other charges in connection with letters of credit and similar instruments and net amounts paid or payable and/or received or receivable under permitted Rate Contracts in respect of interest rates) for Holdings and its Subsidiaries on a consolidated basis

Less: Interest income for such period

(A) Net Interest Expense

(B) Scheduled principal payments of Indebtedness during such period

(C) Earnouts payable in cash during such period

(D) Taxes on or measured by income paid or payable in cash during such period

(E) Restricted Payments described in subsections 5.11(b), 5.11(d), 5.11(f), 5.11(g) and 5.11(h) paid in cash during such period

(Z)	Fixed Charges ((A)+(B)+(C)+(D)+(E))	$

Fixed Charge Coverage ((Y)/(Z))

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(1) For purposes of calculating Fixed Charge Coverage Ratio as of any date of measurement prior to the one year anniversary of the date the Thermon IPO (as defined in the Second Amendment) is consummated, the component of Net Interest Expense attributable to the Second Lien Indebtedness shall equal the product of (i) .095 multiplied by (ii) the remaining outstanding principal balance of the Second Lien Indebtedness after giving effect to the prepayment thereof actually made in connection with the Thermon IPO in accordance with the Second Amendment.

Required Fixed Charge Coverage

In Compliance	Yes/No

EXHIBIT B TO EXHIBIT 4.2(b)
COMPLIANCE CERTIFICATE

Part I — Calculation of Adjusted EBITDA

EBITDA is defined as follows:

Net income (or loss) for the applicable period of measurement of Holdings and its Subsidiaries on a consolidated basis determined in accordance with GAAP, but excluding: (a) the income (or loss) of any Person which is not a Subsidiary of a Borrower, except to the extent of the amount of dividends or other distributions actually paid to a Borrower or any of its Subsidiaries in cash by such Person during such period and the payment of dividends or similar distributions by that Person is not at the time prohibited by operation of the terms of its charter or of any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to that Person;

(b) the income (or loss) of any Person accrued prior to the date it becomes a Subsidiary of a Borrower or is merged into or consolidated with a Borrower or any of its Subsidiaries or that Person's assets are acquired by a Borrower or any of its Subsidiaries; (c) the proceeds of any life insurance policy; (d) gains or losses from the sale, exchange, transfer or other disposition of Property or assets not in the Ordinary Course of Business of the Borrowers and their Subsidiaries, and related tax effects in accordance with GAAP; and (e) any other extraordinary or gains or losses of a Borrower or its Subsidiaries, and related tax effects in accordance with GAAP. $

Plus: All amounts deducted in calculating net income (or loss) for depreciation or amortization for such period

Interest expense (less interest income) deducted in calculating net income (or loss) for such period

All taxes on or measured by income to the extent deducted in calculating net income (or loss) for such period

All management or similar fees, expenses and indemnities pursuant to the Management Agreement to the extent deducted in calculating net income (or loss) for such period

All non-cash losses or expenses (or minus non-cash income or gain) included or deducted in calculating net income (or loss) for such period including, without limitation, any non-cash impairment charge or asset write-off related to intangible assets, long-lived assets, and investments in debt and equity

securities, and any non-cash foreign currency exchange losses (or minus gains), but excluding, in any event, any non-cash loss or expense (a) that is an accrual of a reserve for a cash expenditure or payment to be made, or anticipated to be made, in a future period or (b) relating to a write-down, write off or reserve with respect to Accounts and Inventory

All non-cash losses or expenses deducted (or minus all non-cash income or gain added) in the calculation of net income (or loss) for such period from the application of purchase accounting, including the write up or write down of inventory in connection therewith

All non-cash compensation expense to the extent deducted in the calculation of net income (or loss) for such period

Fees and expenses incurred in connection with the negotiation, execution and delivery on the Closing Date of the Loan Documents and Related Agreements and consummation on the Closing Date of the Related Transactions, to the extent (i) deducted in the calculation of net income (or loss) for such period and (ii) disclosed to Agent

Fees, expenses (including reimbursement of out-of-pocket expenses) and prepayment premiums paid to Agent, Lenders and/or Second Lien Lenders in connection with the Loan Documents or Second Lien Note Agreement, respectively, to the extent deducted in calculating net income (or loss) for such period

To the extent deducted in calculating net income (or loss) for such period and so long as same is not reasonably likely to result in a cash expenditure in a future period, non-cash expenses (including as a result of the acceleration of vesting in the event of a change of control) resulting from the grant or periodic remeasurement of stock options or other equity-related incentives to any director, officer or employee of any of the Credit Parties pursuant to a written plan or agreement approved by the board of directors or similar governing body of any Credit Party

To the extent not included in net income, cash proceeds of business interruption insurance received during such period

To the extent deducted in calculating net income (or loss) for such period, non-recurring cash expenses and costs not in

excess of $3,000,000 during any trailing twelve month period, in each case, as set forth on a schedule certified by a Responsible Officer of Holdings delivered to the Agents concurrently with the applicable Compliance Certificate, including, but not limited to, non-recurring cash expenses and costs incurred in connection with (i) restructurings, integration, severance and synergies, (ii) the implementation of the new ERP system, (iii) Permitted Acquisitions (including restructurings, severance payments and synergies resulting therefrom or implemented in connection therewith), (iv) compliance fees, (v) the recruiting of a new Chief Financial Officer, (vi) environmental remediation actions required by law with respect to the real property locations of the Credit Parties, (vii) resolution of legal compliance issues affecting U.S. employee benefits plans and (viii) losses (or minus gains) with respect to discontinued operations

To the extent deducted in calculating net income (or loss) for such period, any non-cash loss to the extent such loss is covered by the "Insurance Policies" (as defined in the Purchase Agreement); provided, in the event a Credit Party is required to pay all or any portion of such loss in cash, such cash payment shall be permitted to be added back to net income to the extent the applicable Credit Party receives payment in cash in respect of such cash loss from such Insurance Policies within three (3) months of the date such loss is paid in cash by such Credit Party

Fees, costs and expenses incurred in connection with the negotiation, documentation and consummation of the Thermon IPO, including, but not limited to the Management Agreement Termination Fee and the fees and expenses incurred in connection with the Second Amendment and the related amendment to the Second Lien Note Agreement, in an aggregate amount not to exceed $10,500,000, to the extent (i) deducted in the calculation of net income (or loss) for such period and (ii) disclosed to Agent

EBITDA(2) $

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(2) For purposes of calculating EBITDA as of any date of measurement ending on or before April 30, 2011, EBITDA for any period set forth below included in the twelve month period ending on such date shall be deemed to equal the amount set forth below for such period:

Period:		**Pre-Closing EBITDA**
Month of April, 2009	$	4,157,471
Month of May, 2009	$	4,137,644
Month of June, 2009	$	4,844,655
Month of July, 2009	$	3,024,095
Month of August, 2009	$	4,384,346
Month of September, 2009	$	5,322,021
Month of October, 2009	$	5,272,113
Month of November, 2009	$	3,176,222
Month of December, 2009	$	2,811,562
Month of January, 2010	$	3,991,322
Month of February, 2010	$	2,870,058
Month of March, 2010	$	3,216,006
Month of April, 2010	$	4,009,789

Plus: Pro Forma EBITDA for each Permitted Acquisition as set forth on the attached schedule(3) **[Holdings to attach schedule for each Permitted Acquisition]**

Minus: with respect to any Disposition consummated within the period in question, EBITDA attributable to the Subsidiary, profit centers, or other asset which is the subject of such Disposition from the beginning of such period until the date of consummation of such Disposition

Adjusted EBITDA $

Part II — Calculation of Cash Flow

(A) EBITDA (per Part I of Exhibit B) for the applicable period of measurement: **$**

Unfinanced Capital Expenditures:

The aggregate of all expenditures and other obligations for the twelve month period ending on the last day of the month covered by such financial statements which should be capitalized under GAAP

Less: Net Proceeds from Dispositions and/or Events of Loss which a Borrower is permitted to reinvest pursuant to subsection 1.8(c) and which are included above

To the extent included above, expenditures financed with cash proceeds from Excluded Equity Issuances

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(3) Pro Forma EBITDA means EBITDA (calculated in the manner set forth in Part I of Exhibit B) attributable to each Permitted Acquisition (with such pro forma adjustments as are reasonably acceptable to US Agent and Borrowers) consummated during the one year period preceding the date of measurement solely for a number of months immediately preceding the consummation of such Permitted Acquisition, which number equals twelve (12) minus the number of full calendar months following the consummation of such Permitted Acquisition for which financial statements have been delivered pursuant to subsection 4.1(b) of the Credit Agreement.

To the extent included above, amounts paid as the purchase price for a Target in a Permitted Acquisition

Portion of capital expenditures included above financed under Capital Leases or other Indebtedness (Indebtedness, for this purpose, does not include drawings under the Revolving Loan Commitment)

(B) Unfinanced Capital Expenditures(4) $

Cash Flow ((A)-(B)) $

Part III — Calculation of Leverage Ratio

Average of the sum of the aggregate balance of outstanding Revolving Loans and Swing Loans as of the last day of each month in the twelve month (or shorter period commencing on the Closing Date) period ended on the date of measurement

Plus: L/C Reimbursement Obligations as of date of measurement, whether or not then due and payable

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(4) For purposes of calculating Cash Flow as of any date of measurement ending on or before April 30, 2011, Unfinanced Capital Expenditures for any period below included in the twelve month period ending on such date shall be deemed to equal the amount set forth below for such period:

Period	**Pre-Closing Unfinanced Capital Expenditures**	
Month of April, 2009	$	24,996
Month of May, 2009	$	168,792
Month of June, 2009	$	380,851
Month of July, 2009	$	16,479
Month of August, 2009	$	60,659
Month of September 2009	$	124,507
Month of October, 2009	$	89,066
Month of November, 2009	$	74,647
Month of December 2009	$	36,037
Month of January 2010	$	68,609
Month of February 2010	$	228,542
Months of March, 2010 and April, 2010	Pre-Closing Unfinanced Capital Expenditures of Holdings and its Subsidiaries for each such month shall be computed on a basis consistent with the determination of Pre-Closing Unfinanced Capital Expenditures for the preceding periods	

All amounts drawn on letters of credit not constituting Letters of Credit, to the extent (a) such letters of credit are not supported by cash collateral and (b) Holdings and its Subsidiaries have not reimbursed the issuer thereof for such drawn amount

Principal portion of Capital Lease Obligations and Indebtedness secured by purchase money Liens as of date of measurement

Second Lien Indebtedness

Earnouts (valued in accordance with GAAP)

Without duplication, all other Funded Indebtedness of Holdings and its Subsidiaries as of date of measurement other than L/C Reimbursement Obligations

Indebtedness $

Less: Average of the sum of unrestricted cash and Cash Equivalents of Holdings and its Subsidiaries as of the last day of each month in the twelve month (or shorter period commencing on the Closing Date) period ended on date of measurement provided such unrestricted cash and Cash Equivalents are maintained in a deposit account of the Credit Parties in which the Applicable Agent has a perfected first priority security interest.

(A) Net Indebtedness

(B) Adjusted EBITDA for the twelve month period ending on the date of measurement (per Part II of Exhibit B) $

Leverage Ratio ((A)/(B)) (used in the determining if mandatory prepayments are required)

Exhibit 10.13

THERMON GROUP HOLDINGS, INC.

2011 LONG-TERM INCENTIVE PLAN

I. INTRODUCTION

1.1 Purposes. The purposes of the Thermon Group Holdings, Inc. 2011 Long-Term Incentive Plan (this "Plan") are (i) to align the interests of the Company's stockholders and the recipients of awards under this Plan by increasing the proprietary interest of such recipients in the Company's growth and success, (ii) to advance the interests of the Company by attracting and retaining directors, officers, other employees and independent contractors and (iii) to motivate such persons to act in the long-term best interests of the Company and its stockholders.

1.2 Certain Definitions.

"Agreement" shall mean the written agreement evidencing an award hereunder between the Company and the recipient of such award.

"Affiliated Fund" means with respect to any Investor, each corporation, trust, limited liability company, general or limited partnership or other entity under common control with that Investor (including any such entity with the same general partner or principal investment advisor as that Investor or with a general partner or principal investment advisor that is an affiliate of the general partner or principal investment advisor of that Investor).

"Board" shall mean the Board of Directors of the Company.

"Change in Control" shall have the meaning set forth in Section 5.8(b).

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Committee" shall mean the Committee designated by the Board, consisting of two or more members of the Board, each of whom may be (i) a "Non-Employee Director" within the meaning of Rule 16b-3 under the Exchange Act, (ii) an "outside director" within the meaning of Section 162(m) of the Code and (iii) "independent" within the meaning of the rules of The New York Stock Exchange or, if the Common Stock is not listed on The New York Stock Exchange, within the meaning of the rules of the principal national stock exchange on which the Common Stock is then traded.

"Common Stock" shall mean the common stock, par value $.001 per share, of the Company, and all rights appurtenant thereto.

"Company" shall mean Thermon Group Holdings, Inc., a Delaware corporation, or any successor thereto.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended.

"Fair Market Value" shall mean the closing transaction price of a share of Common Stock as reported on The New York Stock Exchange on the date as of which such value is being

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determined or, if the Common Stock is not listed on The New York Stock Exchange, the closing transaction price of a share of Common Stock on the principal national stock exchange on which the Common Stock is traded on the date as of which such value is being determined or, if there shall be no reported transactions for such date, on the next preceding date for which transactions were reported; provided, however, that if the Common Stock is not listed on a national stock exchange or if Fair Market Value for any date cannot be so determined, Fair Market Value shall be determined by the Committee in good faith and in accordance with Section 409A of the Code.

"Free-Standing SAR" shall mean an SAR which is not granted in tandem with, or by reference to, an option, which entitles the holder thereof to receive, upon exercise, shares of Common Stock (which may be Restricted Stock) with an aggregate value equal to the excess of the Fair Market Value of one share of Common Stock on the date of exercise over the base price of such SAR, multiplied by the number of such SARs which are exercised.

"Incentive Stock Option" shall mean an option to purchase shares of Common Stock that meets the requirements of Section 422 of the Code, or any successor provision, which is intended by the Committee to constitute an Incentive Stock Option.

"Incumbent Board" shall have the meaning set forth in Section 5.8(b).

"Initial Public Offering" means the initial public offering of the Company registered on Form S-1 (or any successor form under the Securities Act of 1933, as amended).

"**Investors**" means CHS Private Equity V LP, Thompson Street Capital Partners II, L.P., Crown Investment Series LLC—Series 4, and Star Investment Series LLC—Series 1.

"Nonqualified Stock Option" shall mean an option to purchase shares of Common Stock which is not an Incentive Stock

Option.

"**Performance Measures**" shall mean the criteria and objectives, established by the Committee, which shall be satisfied or met (i) as a condition to the grant or exercisability of all or a portion of an option or SAR or (ii) during the applicable Restriction Period or Performance Period as a condition to the vesting of the holder's interest, in the case of a Restricted Stock Award, of the shares of Common Stock subject to such award, or, in the case of a Restricted Stock Unit Award or Performance Unit Award, to the holder's receipt of the shares of Common Stock subject to such award or of payment with respect to such award. Such criteria and objectives may include, without limitation, one or more of the following corporate-wide or subsidiary, division, operating unit or individual measures, stated in either absolute terms or relative terms, such as rates of growth or improvement: the attainment by a share of our common stock of a specified fair market value for a specified period of time, earnings per share, return to stockholders (including dividends), return on assets, return on equity, our earnings before or after taxes and/or interest, revenues, expenses, market share, cash flow or cost reduction goals, interest expense after taxes, return on investment, return on investment capital, return on operating costs, economic value created, operating margin, gross margin, achievement of annual operating profit plans, net income before or after taxes, pretax earnings before interest, depreciation and/or amortization, pretax operating earnings after interest expense and before incentives, and/or extraordinary or special items, operating earnings, net cash provided by operations, and strategic

business criteria, consisting of one or more objectives based on meeting specified market penetration, geographic business expansion goals, cost targets, days sales outstanding goals, customer satisfaction, attainment of specified safety metrics, reductions in errors and omissions, reductions in lost business, management of employment practices and employee benefits, supervision of litigation and information technology, quality and quality audit scores, productivity, efficiency, and goals relating to acquisitions or divestitures, or any combination of the foregoing. In the sole discretion of the Committee, the Committee may amend or adjust the Performance Measures or other terms and conditions of an outstanding award in recognition of unusual, nonrecurring or one time events affecting the Company or its financial statements or changes in law or accounting principles.

"**Performance Option**" shall mean an Incentive Stock Option or Nonqualified Stock Option, the grant of which or the exercisability of all or a portion of which is contingent upon the attainment of specified Performance Measures within a specified Performance Period.

"**Performance Period**" shall mean any period designated by the Committee during which (i) the Performance Measures applicable to an award shall be measured and (ii) the conditions to vesting applicable to an award shall remain in effect.

"**Performance Unit**" shall mean a right to receive, contingent upon the attainment of specified Performance Measures within a specified Performance Period, a specified cash amount or, in lieu thereof, shares of Common Stock having a Fair Market Value equal to such cash amount.

"**Performance Unit Award**" shall mean an award of Performance Units under this Plan.

"**Restricted Stock**" shall mean shares of Common Stock which are subject to a Restriction Period and which may, in addition thereto, be subject to the attainment of specified Performance Measures within a specified Performance Period.

"**Restricted Stock Award**" shall mean an award of Restricted Stock under this Plan.

"**Restricted Stock Unit**" shall mean a right to receive one share of Common Stock or, in lieu thereof, the Fair Market Value of such share of Common Stock in cash, which shall be contingent upon the expiration of a specified Restriction Period and which may, in addition thereto, be contingent upon the attainment of specified Performance Measures within a specified Performance Period.

"**Restricted Stock Unit Award**" shall mean an award of Restricted Stock Units under this Plan.

"**Restriction Period**" shall mean any period designated by the Committee during which (i) the Common Stock subject to a Restricted Stock Award may not be sold, transferred, assigned, pledged, hypothecated or otherwise encumbered or disposed of, except as provided in this Plan or the Agreement relating to such award, or (ii) the conditions to vesting applicable to a Restricted Stock Unit Award shall remain in effect.

"**SAR**" shall mean a stock appreciation right which may be a Free-Standing SAR or a Tandem SAR.

"**Stock Award**" shall mean a Restricted Stock Award or a Restricted Stock Unit Award.

"**Subsidiary**" shall mean any corporation, limited liability company, partnership, joint venture or similar entity in which the Company owns, directly or indirectly, an equity interest possessing more than 50% of the combined voting power of the total outstanding equity interests of such entity.

"**Tandem SAR**" shall mean an SAR which is granted in tandem with, or by reference to, an option (including a Nonqualified Stock Option granted prior to the date of grant of the SAR), which entitles the holder thereof to receive, upon exercise of such SAR and surrender or cancellation of all or a portion of such option, shares of Common Stock (which may be Restricted Stock) with an aggregate

value equal to the excess of the Fair Market Value of one share of Common Stock on the date of exercise over the base price of such SAR, multiplied by the number of shares of Common Stock subject to such option, or portion thereof, which is surrendered.

"Tax Date" shall have the meaning set forth in Section 5.5.

"Ten Percent Holder" shall have the meaning set forth in Section 2.1(a).

1.3 Administration. This Plan shall be administered by the Committee. Any one or a combination of the following awards may be made under this Plan to eligible persons: (i) options to purchase shares of Common Stock in the form of Incentive Stock Options or Nonqualified Stock Options (which may include Performance Options), (ii) SARs in the form of Tandem SARs or Free-Standing SARs, (iii) Stock Awards in the form of Restricted Stock or Restricted Stock Units and (iv) Performance Units. The Committee shall, subject to the terms of this Plan, select eligible persons for participation in this Plan and determine the form, amount and timing of each award to such persons and, if applicable, the number of shares of Common Stock, the number of SARs, the number of Restricted Stock Units and the number of Performance Units subject to such an award, the exercise price or base price associated with the award, the time and conditions of exercise or settlement of the award and all other terms and conditions of the award, including, without limitation, the form of the Agreement evidencing the award. The Committee may, in its sole discretion and for any reason at any time, take action such that (i) any or all outstanding options and SARs shall become exercisable in part or in full, (ii) all or a portion of the Restriction Period applicable to any outstanding Restricted Stock or Restricted Stock Units shall lapse, (iii) all or a portion of the Performance Period applicable to any outstanding Restricted Stock, Restricted Stock Units or Performance Units shall lapse and (iv) the Performance Measures (if any) applicable to any outstanding award shall be deemed to be satisfied at the target, maximum or any other level. The Committee shall, subject to the terms of this Plan, interpret this Plan and the application thereof, establish rules and regulations it deems necessary or desirable for the administration of this Plan and may impose, incidental to the grant of an award, conditions with respect to the award, such as limiting competitive employment or other activities. All such interpretations, rules, regulations and conditions shall be conclusive and binding on all parties.

The Committee may delegate some or all of its power and authority hereunder to the Board or, subject to applicable law, to the President and Chief Executive Officer or other executive officer of the Company as the Committee deems appropriate; provided, however, that the Committee may not delegate its power and authority to the President and Chief Executive Officer or other executive officer of the Company with regard to the selection for participation in this Plan of an officer, director or other person subject to Section 16 of the Exchange Act or decisions concerning the timing, pricing or amount of an award to such an officer, director or other person.

No member of the Board or Committee, and neither the President and Chief Executive Officer nor any other executive officer to whom the Committee delegates any of its power and authority hereunder, shall be liable for any act, omission, interpretation, construction or determination made in connection with this Plan in good faith, and the members of the Board and the Committee and the President and Chief Executive Officer or other executive officer shall be entitled to indemnification and reimbursement by the Company in respect of any claim, loss, damage or expense (including attorneys' fees) arising therefrom to the full extent permitted by law (except as otherwise may be provided in the Company's Certificate of Incorporation and/or By-laws) and under any directors' and officers' liability insurance that may be in effect from time to time.

A majority of the Committee shall constitute a quorum. The acts of the Committee shall be either (i) acts of a majority of the members of the Committee present at any meeting at which a quorum is present or (ii) acts approved in writing by all of the members of the Committee without a meeting.

1.4 Eligibility. Participants in this Plan shall consist of such officers, other employees, independent contractors and nonemployee directors, and persons expected to become officers, other employees, independent contractors and nonemployee directors, of the Company and its Subsidiaries as the Committee in its sole discretion may select from time to time. The Committee's selection of a person to participate in this Plan at any time shall not require the Committee to select such person to participate in this Plan at any other time. For purposes of this Plan and except as otherwise provided for in an Agreement, references to employment by the Company shall also mean employment by a Subsidiary, and references to employment shall include service as a nonemployee director or independent contractor. The Committee shall determine, in its sole discretion, the extent to which a participant shall be considered employed during any periods during which such participant is on an approved leave of absence.

1.5 Shares Available. Subject to adjustment as provided in Section 5.7 and to all other limits set forth in this Section 1.5, 2,893,341 shares of Common Stock shall be available for all awards under this Plan, reduced by the sum of the aggregate number of shares of Common Stock which become subject to outstanding options, outstanding Free-Standing SARs and outstanding Stock Awards and delivered upon the settlement of Performance Units. To the extent that shares of Common Stock subject to an outstanding option, SAR or stock award granted under the Plan are not issued or delivered by reason of (i) the expiration, termination, cancellation or forfeiture of such award (excluding shares subject to an option cancelled upon settlement in shares of a related Tandem SAR or shares subject to a Tandem SAR cancelled upon

exercise of a related option) or (ii) the settlement of such award in cash, then such shares of Common Stock shall again be available under this Plan.

Notwithstanding anything in this Section 1.5 to the contrary, shares of Common Stock subject to an award under this Plan may not be made available for issuance under this Plan if such shares are: (i) shares that were subject to a stock-settled SAR and were not issued upon the net settlement or net exercise of such SAR, (ii) shares used to pay the exercise price of an Incentive Stock Option or Nonqualified Stock Option, (iii) shares delivered to or withheld by the Company to pay withholding taxes related to an award under this Plan, or (iv) shares repurchased on the open market with the proceeds of an option exercise.

Shares of Common Stock to be delivered under this Plan shall be made available from authorized and unissued shares of Common Stock, or authorized and issued shares of Common Stock reacquired and held as treasury shares or otherwise or a combination thereof.

II. STOCK OPTIONS AND STOCK APPRECIATION RIGHTS

2.1 Stock Options. The Committee may, in its discretion, grant options to purchase shares of Common Stock to such eligible persons as may be selected by the Committee. Each option, or portion thereof, that is not an Incentive Stock Option, shall be a Nonqualified Stock Option. To the extent that the aggregate Fair Market Value (determined as of the date of grant) of shares of Common Stock with respect to which options designated as Incentive Stock Options are exercisable for the first time by a participant during any calendar year (under this Plan or any other plan of the Company, or any parent or Subsidiary) exceeds the amount (currently $100,000) established by the Code to qualify as Incentive Stock Options, such options shall constitute Nonqualified Stock Options.

Options may be granted in addition to, or in lieu of, any other compensation payable to officers, other employees, directors, and independent contractors, and in all cases shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Committee shall deem advisable:

(a) Number of Shares and Purchase Price. The number of shares of Common Stock subject to an option and the purchase price per share of Common Stock purchasable upon exercise of the option shall be determined by the Committee; provided, however, that the purchase price per share of Common Stock purchasable upon exercise of a Nonqualified Stock Option or an Incentive Stock Option shall not be less than 100% of the Fair Market Value of a share of Common Stock on the date of grant of such option; provided further, that if an Incentive Stock Option shall be granted to any person who, at the time such option is granted, owns capital stock possessing more than 10 percent of the total combined voting power of all classes of capital stock of the Company (or of any parent or Subsidiary) (a "Ten Percent Holder"), the purchase price per share of Common Stock shall not be less than the price (currently 110% of Fair Market Value) required by the Code in order to constitute an Incentive Stock Option.

(b) Option Period and Exercisability. The period during which an option may be exercised shall be determined by the Committee; provided, however, that no Incentive Stock Option or Nonqualified Stock Option shall be exercised later than ten years after its date of grant;

provided further, that if an Incentive Stock Option shall be granted to a Ten Percent Holder, such option shall not be exercised later than five years after its date of grant. The Committee may, in its discretion, determine that an option is to be granted as a Performance Option and may establish an applicable Performance Period and Performance Measures which shall be satisfied or met as a condition to the grant of such option or to the exercisability of all or a portion of such option. The Committee shall determine whether an option shall become exercisable in cumulative or non-cumulative installments and in part or in full at any time. An exercisable option, or portion thereof, may be exercised only with respect to whole shares of Common Stock.

(c) Method of Exercise. An option may be exercised (i) by giving written notice to the Company specifying the number of whole shares of Common Stock to be purchased and accompanying such notice with payment therefor in full (or arrangement made for such payment to the Company's satisfaction) either (A) in cash, (B) by delivery (either actual delivery or by attestation procedures established by the Company) of shares of Common Stock having a Fair Market Value, determined as of the date of exercise, equal to the aggregate purchase price payable by reason of such exercise, (C) by authorizing the Company to withhold whole shares of Common Stock which would otherwise be delivered having an aggregate Fair Market Value, determined as of the date of exercise, equal to the amount necessary to satisfy such obligation, (D) in cash by a broker-dealer acceptable to the Company to whom the optionee has submitted an irrevocable notice of exercise, or (E) a combination of (A), (B) and (C), in each case to the extent set forth in the Agreement relating to the option, (ii) if applicable, by surrendering to the Company any Tandem SARs which are cancelled by reason of the exercise of the option and (iii) by executing such documents as the Company may reasonably request. Any fraction of a share of Common Stock which would be required to pay such purchase price shall be disregarded and the remaining amount due shall be paid in cash by the optionee. No shares of Common Stock shall be issued and no certificate representing Common Stock shall be delivered until the full purchase price therefor and any withholding taxes thereon, as described in Section 5.5, have been paid (or arrangement made for such payment to the Company's satisfaction).

2.2 Stock Appreciation Rights. The Committee may, in its discretion, grant SARs to such eligible persons as may be selected by the Committee. The Agreement relating to an SAR shall specify whether the SAR is a Tandem SAR or a Free-Standing SAR.

SARs shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Committee shall deem advisable:

(a) Number of SARs and Base Price. The number of SARs subject to an award shall be determined by the Committee. Any Tandem SAR related to an Incentive Stock Option shall be granted at the same time that such Incentive Stock Option is granted. The base price of a Tandem SAR shall be the purchase price per share of Common Stock of the related option. The base price of a Free-Standing SAR shall be determined by the Committee; provided, however, that such base price shall not be less than 100% of the Fair Market Value

of a share of Common Stock on the date of grant of such SAR.

(b) Exercise Period and Exercisability. The period for the exercise of an SAR shall be determined by the Committee; provided, however, that no Tandem SAR shall be exercised later than the expiration, cancellation, forfeiture or other termination of the related option and no Free-Standing SAR shall be exercised later than ten years after its date of grant. The Committee may, in its discretion, establish Performance Measures which shall be satisfied or met as a condition to the grant of an SAR or to the exercisability of all or a portion of an SAR. The Committee shall determine whether an SAR may be exercised in cumulative or non-cumulative installments and in part or in full at any time. An exercisable SAR, or portion thereof, may be exercised, in the case of a Tandem SAR, only with respect to whole shares of Common Stock and, in the case of a Free-Standing SAR, only with respect to a whole number of SARs. If an SAR is exercised for shares of Restricted Stock, a certificate or certificates representing such Restricted Stock shall be issued in accordance with Section 3.2(c), or such shares shall be transferred to the holder in book entry form with restrictions on the Shares duly noted, and the holder of such Restricted Stock shall have such rights of a stockholder of the Company as determined pursuant to Section 3.2(d). Prior to the exercise of an SAR, the holder of such SAR shall have no rights as a stockholder of the Company with respect to the shares of Common Stock subject to such SAR.

(c) Method of Exercise. A Tandem SAR may be exercised (i) by giving written notice to the Company specifying the number of whole SARs which are being exercised, (ii) by surrendering to the Company any options which are cancelled by reason of the exercise of the Tandem SAR and (iii) by executing such documents as the Company may reasonably request. A Free-Standing SAR may be exercised (A) by giving written notice to the Company specifying the whole number of SARs which are being exercised and (B) by executing such documents as the Company may reasonably request.

2.3 Termination of Employment or Service. All of the terms relating to the exercise, cancellation or other disposition of an option or SAR upon a termination of employment or service with the Company of the holder of such option or SAR, as the case may be, whether by reason of disability, retirement, death or any other reason, shall be determined by the Committee and set forth in the applicable award Agreement.

2.4 No Repricing. Notwithstanding anything in this Plan to the contrary and subject to Section 5.7, without the approval of the stockholders of the Company the Committee will not amend or replace any previously granted option or SAR in a transaction that constitutes a "repricing," as such term is used in Section 303A.08 of The New York Stock Exchange Listed Company Manual.

III. STOCK AWARDS

3.1 Stock Awards. The Committee may, in its discretion, grant Stock Awards to such eligible persons as may be selected by the Committee. The Agreement relating to a Stock Award shall specify whether the Stock Award is a Restricted Stock Award or a Restricted Stock Unit Award.

3.2 Terms of Restricted Stock Awards. Restricted Stock Awards shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Committee shall deem advisable.

(a) Number of Shares and Other Terms. The number of shares of Common Stock subject to a Restricted Stock Award and the Restriction Period, Performance Period (if any) and Performance Measures (if any) applicable to a Restricted Stock Award shall be determined by the Committee.

(b) Vesting and Forfeiture. The Agreement relating to a Restricted Stock Award shall provide, in the manner determined by the Committee, in its discretion, and subject to the provisions of this Plan, for the vesting of the shares of Common Stock subject to such award (i) if the holder of such award remains continuously in the employment of the Company during the specified Restriction Period and (ii) if specified Performance Measures (if any) are satisfied or met during a specified Performance Period, and for the forfeiture of the shares of Common Stock subject to such award (x) if the holder of such award does not remain continuously in the employment of the Company during the specified Restriction Period or (y) if specified Performance Measures (if any) are not satisfied or met during a specified Performance Period.

(c) Stock Issuance. During the Restriction Period, the shares of Restricted Stock shall be held by a custodian in book entry form with restrictions on such shares duly noted or, alternatively, a certificate or certificates representing a Restricted Stock Award shall be registered in the holder's name and may bear a legend, in addition to any legend which may be required pursuant to Section 5.6, indicating that the ownership of the shares of Common Stock represented by such certificate is subject to the restrictions, terms and conditions of this Plan and the Agreement relating to the Restricted Stock Award. All such certificates shall be deposited with the Company, together with stock powers or other instruments of assignment (including a power of attorney), each endorsed in blank with a guarantee of signature if deemed necessary or appropriate, which would permit transfer to the Company of all or a portion of the shares of Common Stock subject to the Restricted Stock Award in the event such award is forfeited in whole or in part. Upon termination of any applicable Restriction Period (and the satisfaction or attainment of applicable Performance Measures), subject to the Company's right to require payment of any taxes in accordance with Section 5.5, the restrictions shall be removed from the requisite number of any shares of Common Stock that are held in book entry form, and all certificates evidencing ownership of the requisite number of shares of Common Stock shall be delivered to the holder of such award.

(d) Rights with Respect to Restricted Stock Awards. Unless otherwise set forth in the Agreement relating to a Restricted Stock Award, and subject to the terms and conditions of a Restricted Stock Award, the holder of such award shall have all rights as a stockholder of the Company, including, but not limited to, voting rights, the right to receive dividends and the right to participate in any capital adjustment applicable to all holders of Common Stock. Notwithstanding the foregoing, (i) a distribution made with respect to shares of Restricted Stock, other than a regular cash dividend, and (ii) a regular cash dividend with respect to shares of Restricted Stock that are subject to performance-based vesting conditions, in each case, shall be deposited with the Company and shall be subject to the same restrictions as the shares of Restricted Stock with respect to which such distribution was made.

3.3 Terms of Restricted Stock Unit Awards. Restricted Stock Unit Awards shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Committee shall deem advisable.

(a) Number of Shares and Other Terms. The number of shares of Common Stock subject to a Restricted Stock Unit Award and the Restriction Period, Performance Period (if any) and Performance Measures (if any) applicable to a Restricted Stock Unit Award shall be determined by the Committee.

(b) Vesting and Forfeiture. The Agreement relating to a Restricted Stock Unit Award shall provide, in the manner determined by the Committee, in its discretion, and subject to the provisions of this Plan, for the vesting of such Restricted Stock Unit Award (i) if the holder of such award remains continuously in the employment of the Company during the specified Restriction Period and (ii) if specified Performance Measures (if any) are satisfied or met during a specified Performance Period, and for the forfeiture of the shares of Common Stock subject to such award (x) if the holder of such award does not remain continuously in the employment of the Company during the specified Restriction Period or (y) if specified Performance Measures (if any) are not satisfied or met during a specified Performance Period.

(c) Settlement of Vested Restricted Stock Unit Awards. The Agreement relating to a Restricted Stock Unit Award shall specify (i) whether such award may be settled in shares of Common Stock or cash or a combination thereof and (ii) whether the holder thereof shall be entitled to receive, on a current or deferred basis, dividend equivalents, and, if determined by the Committee, interest on, or the deemed reinvestment of, any deferred dividend equivalents, with respect to the number of shares of Common Stock subject to such award. Any dividend equivalents with respect to Restricted Stock Units that are subject to performance-based vesting conditions shall be subject to the same restrictions as such Restricted Stock Units. Prior to the settlement of a Restricted Stock Unit Award, the holder of such award shall have no rights as a stockholder of the Company with respect to the shares of Common Stock subject to such award.

3.4 Termination of Employment or Service. All of the terms relating to the satisfaction of Performance Measures and the termination of the Restriction Period or Performance Period relating to a Stock Award, or any forfeiture and cancellation of such award upon a termination of employment or service with the Company of the holder of such award, whether by reason of disability, retirement, death or any other reason, shall be determined by the Committee and set forth in the applicable award Agreement.

IV. PERFORMANCE UNIT AWARDS

4.1 Performance Unit Awards. The Committee may, in its discretion, grant Performance Unit Awards to such eligible persons as may be selected by the Committee.

4.2 Terms of Performance Unit Awards. Performance Unit Awards shall be subject to the following terms and conditions and shall contain such additional terms and conditions, not inconsistent with the terms of this Plan, as the Committee shall deem advisable.

(a) (a) Number of Performance Units and Performance Measures. The number of Performance Units subject to a Performance Unit Award, the method of determining the value of each Performance Unit and the Performance Measures and Performance Period applicable to a Performance Unit Award shall be determined by the Committee.

(b) Vesting and Forfeiture. The Agreement relating to a Performance Unit Award shall provide, in the manner determined by the Committee, in its discretion, and subject to the provisions of this Plan, for the vesting of such Performance Unit Award if the specified Performance Measures are satisfied or met during the specified Performance Period and for the forfeiture of such award if the specified Performance Measures are not satisfied or met during the specified Performance Period.

(c) Settlement of Vested Performance Unit Awards. The Agreement relating to a Performance Unit Award shall specify whether such award may be settled in shares of Common Stock (including shares of Restricted Stock) or cash or a combination thereof. If a Performance Unit Award is settled in shares of Restricted Stock, such shares of Restricted Stock shall be issued to the holder in book entry form or a certificate or certificates representing such Restricted Stock shall be issued in accordance with Section 3.2(c) and the holder of such Restricted Stock shall have such rights as a stockholder of the Company as determined pursuant to Section 3.2(d). Prior to the settlement of a Performance Unit Award in shares of Common Stock, including Restricted Stock, the holder of such award shall have no rights as a stockholder of the Company.

4.3 **Termination of Employment or Service.** All of the terms relating to the satisfaction of Performance Measures and the termination of the Performance Period relating to a Performance Unit Award, or any forfeiture and cancellation of such award upon a termination of employment or service with the Company of the holder of such award, whether by reason of disability, retirement, death or any other reason, shall be determined by the Committee and set forth in the applicable award Agreement.

V. GENERAL

5.1 **Effective Date and Term of Plan.** This Plan shall be submitted to the stockholders of the Company for approval and, if approved, shall become effective as of April 8, 2011. This Plan shall terminate as of the first annual meeting of shareholders to occur on or after the tenth anniversary of its effective date, unless terminated earlier by the Board. Termination of this Plan shall not affect the terms or conditions of any award granted prior to termination. Awards hereunder may be made at any time prior to the termination of this Plan, provided that no award may be made later than ten years after the effective date of this Plan.

5.2 **Amendments.** The Board may amend this Plan as it shall deem advisable, subject to any requirement of stockholder approval required by applicable law, rule or regulation, including Section 162(m) of the Code and any rule of The New York Stock Exchange, or, if the Common Stock is not listed on The New York Stock Exchange, any rule of the principal national stock exchange on which the Common Stock is then traded; provided, however, that no amendment may impair the rights of a holder of an outstanding award without the consent of such holder.

5.3 **Agreement.** Each award under this Plan shall be evidenced by an Agreement setting forth the terms and conditions applicable to such award. No award shall be valid until an Agreement is executed by the Company and, to the extent required by the Company, the recipient of such award and, upon such execution and delivery of the Agreement to the Company

within the time period specified by the Company, such award shall be effective as of the effective date set forth in the Agreement.

5.4 **Non-Transferability.** No award shall be transferable other than by will, the laws of descent and distribution or pursuant to beneficiary designation procedures approved by the Company or, to the extent expressly permitted in the Agreement relating to such award, to the holder's family members, a trust or entity established by the holder for estate planning purposes or a charitable organization designated by the holder. Except to the extent permitted by the foregoing sentence or the Agreement relating to an award, each award may be exercised or settled during the holder's lifetime only by the holder or the holder's legal representative or similar person. Except as permitted by the second preceding sentence, no award may be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of any award, such award and all rights thereunder shall immediately become null and void.

5.5 **Tax Withholding.** The Company shall have the right to require, prior to the issuance or delivery of any shares of Common Stock or the payment of any cash pursuant to an award made hereunder, payment by the holder of such award of any federal, state, local or other taxes which may be required to be withheld or paid in connection with such award. An Agreement may provide that (i) the Company shall withhold whole shares of Common Stock which would otherwise be delivered to a holder, having an aggregate Fair Market Value determined as of the date the obligation to withhold or pay taxes arises in connection with an award (the "Tax Date"), or withhold an amount of cash which would otherwise be payable to a holder, in the amount necessary to satisfy any such obligation or (ii) the holder may satisfy any such obligation by any of the following means: (A) a cash payment to the Company, (B) delivery (either actual delivery or by attestation procedures established by the Company) to the Company of previously owned whole shares of Common Stock having an aggregate Fair Market Value, determined as of the Tax Date, equal to the amount necessary to satisfy any such obligation, (C) authorizing the Company to withhold whole shares of Common Stock which would otherwise be delivered having an aggregate Fair Market Value, determined as of the Tax Date, or withhold an amount of cash which would otherwise be payable to a holder, in either case equal to the amount necessary to satisfy any such obligation, (D) in the case of the exercise of an option and except as may be prohibited by applicable law, a cash payment by a broker-dealer acceptable to the Company to whom the optionee has submitted an irrevocable notice of exercise, or (E) any combination of (A), (B) and (C), in each case to the extent set forth in the Agreement relating to the award. Shares of Common Stock to be delivered or withheld may not have an aggregate Fair Market Value in excess of the amount determined by applying the minimum statutory withholding rate. Any fraction of a share of Common Stock which would be required to satisfy such an obligation shall be disregarded and the remaining amount due shall be paid in cash by the holder.

5.6 **Restrictions on Shares.** Each award made hereunder shall be subject to the requirement that if at any time the Company determines that the listing, registration or qualification of the shares of Common Stock subject to such award upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the delivery of

shares thereunder, such shares shall not be delivered unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company may require that certificates evidencing shares of Common Stock delivered pursuant to any award made hereunder bear a legend indicating that the sale, transfer or other disposition thereof by the holder is prohibited except in compliance with the Securities Act of 1933, as amended, and the rules and regulations thereunder.

5.7 **Adjustment.** In the event of any stock split, stock dividend, recapitalization, reorganization, merger, consolidation,

combination, exchange of shares, liquidation, spin-off or other similar change in capitalization or event, or any distribution to holders of Common Stock other than a regular cash dividend, the number and class of securities available under this Plan, the number and class of securities subject to each outstanding option and the purchase price per security, the terms of each outstanding SAR, the terms of each outstanding Restricted Stock Award and Restricted Stock Unit Award, including the number and class of securities subject thereto, and the terms of each outstanding Performance Unit, shall be appropriately adjusted by the Committee, such adjustments to be made in the case of outstanding options and SARs in accordance with Section 409A of the Code. The decision of the Committee regarding any such adjustment shall be final, binding and conclusive. If any such adjustment would result in a fractional security being (a) available under this Plan, such fractional security shall be disregarded, or (b) subject to an award under this Plan, the Company shall pay the holder of such award, in connection with the first vesting, exercise or settlement of such award, in whole or in part, occurring after such adjustment, an amount in cash determined by multiplying (i) the fraction of such security (rounded to the nearest hundredth) by (ii) the excess, if any, of (A) the Fair Market Value on the vesting, exercise or settlement date over (B) the exercise or base price, if any, of such award.

5.8 Change in Control.

(a) Notwithstanding any provision in this Plan or any Agreement, in the event of a Change in Control, the Board (as constituted prior to such Change in Control) may, in its discretion:

(i) require that (A) some or all outstanding options and SARs shall immediately become exercisable in full or in part, (B) the Restriction Period applicable to some or all outstanding Restricted Stock Awards and Restricted Stock Unit Awards shall lapse in full or in part, (C) the Performance Period applicable to some or all outstanding awards shall lapse in full or in part, and (D) the Performance Measures applicable to some or all outstanding awards shall be deemed to be satisfied at the target, maximum or any other level;

(ii) require that shares of capital stock of the corporation resulting from or succeeding to the business of the Company pursuant to such Change in Control, or a parent corporation thereof, be substituted for some or all of the shares of Common Stock subject to an outstanding award, with an appropriate and equitable adjustment to such award as determined by the Board in accordance with Section 5.7; and/or

(iii) require outstanding awards, in whole or in part, to be surrendered to the Company by the holder, and to be immediately cancelled by the Company, and to provide for the holder to receive (A) a cash payment in an amount equal to (x) in the case of an option or an SAR, the number of shares of Common Stock then subject to the portion of such option or SAR surrendered, to the extent such option or SAR is then exercisable or becomes exercisable pursuant to Section 5.8(a)(i), multiplied by the excess, if any, of the Fair Market Value of a share of Common Stock as of the date of the Change in Control, over the purchase price or base price per share of Common Stock subject to such option or SAR, (y) in the case of a Stock Award, the number of shares of Common Stock then subject to the portion of such award surrendered, to the extent the Restriction Period and Performance Period, if any, on such Stock Award have lapsed or will lapse pursuant to Section 5.8(a)(i) and to the extent that the Performance Measures, if any, have been satisfied or are deemed satisfied pursuant to Section 5.8(a)(i), multiplied by the Fair Market Value of a share of Common Stock as of the date of the Change in Control, and (z) in the case of a Performance Unit Award, the value of the Performance Units then subject to the portion of such award surrendered, to the extent the Performance Period applicable so such award has lapsed or will lapse pursuant to Section 5.8(a)(i) and to the extent the Performance Measures applicable to such award have been satisfied or are deemed satisfied pursuant to Section 5.8(a)(i); (B) shares of capital stock of the corporation resulting from or succeeding to the business of the Company pursuant to such Change in Control, or a parent corporation thereof, having a fair market value not less than the amount determined under clause (A) above; or (C) a combination of the payment of cash pursuant to clause (A) above and the issuance of shares pursuant to clause (B) above

(b) For purposes of this Plan, "Change in Control" means the occurrence of any of the following:

(i) The acquisition, other than from the Company, by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of 50% or more of either the then outstanding shares of Common Stock of the Company or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors, but excluding, for this purpose, any such acquisition by the Company or any of its Subsidiaries, any Investor, any Affiliated Fund, or any employee benefit plan (or related trust) of the Company or its Subsidiaries, or any entity with respect to which, following such acquisition, more than 50% of, respectively, the then outstanding equity of such entity and the combined voting power of the then outstanding voting equity of such entity entitled to vote generally in the election of all or substantially all of the members of such entity's governing body is then beneficially owned, directly or indirectly, by the individuals and entities who were the beneficial owners, respectively, of the Common Stock and voting securities of the Company immediately prior to such acquisition in substantially the same proportion as their ownership, immediately prior to such acquisition, of

the then outstanding shares of Common Stock of the Company or the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors, as the case may be; or

(ii) The consummation of a reorganization, merger or consolidation of the Company, in each case, with respect to which all or substantially all of the individuals and entities who were the respective beneficial owners of the Common Stock and voting securities of the Company immediately prior to such reorganization, merger or consolidation do not, following such reorganization, merger or consolidation, beneficially own, directly or indirectly, more than 50% of, respectively, the then outstanding shares of Common Stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such reorganization, merger or consolidation; or

(iii) a complete liquidation or dissolution of the Company or the sale or other disposition of all or substantially all of the assets of the Company.

Notwithstanding the foregoing, the Initial Public Offering and any bona find primary or secondary public offering following the occurrence of the Initial Public Offering shall not constitute a Change in Control.

5.9 Deferrals. The Committee may determine that the delivery of shares of Common Stock or the payment of cash, or a combination thereof, upon the settlement of all or a portion of any award made hereunder shall be deferred, or the Committee may, in its sole discretion, approve deferral elections made by holders of awards. Deferrals shall be for such periods and upon such terms as the Committee may determine in its sole discretion, subject to the requirements of Section 409A of the Code.

5.10 No Right of Participation, Employment or Service. Unless otherwise set forth in an employment agreement, no person shall have any right to participate in this Plan. Neither this Plan nor any award made hereunder shall confer upon any person any right to continued employment by or service with the Company, any Subsidiary or any affiliate of the Company or affect in any manner the right of the Company, any Subsidiary or any affiliate of the Company to terminate the employment of any person at any time without liability hereunder.

5.11 Rights as Stockholder. No person shall have any right as a stockholder of the Company with respect to any shares of Common Stock or other equity security of the Company which is subject to an award hereunder unless and until such person becomes a stockholder of record with respect to such shares of Common Stock or equity security.

5.12 Designation of Beneficiary. A holder of an award may file with the Company a written designation of one or more persons as such holder's beneficiary or beneficiaries (both primary and contingent) in the event of the holder's death or incapacity. To the extent an outstanding option or SAR granted hereunder is exercisable, such beneficiary or beneficiaries shall be entitled to exercise such option or SAR pursuant to procedures prescribed by the Committee.

Each beneficiary designation shall become effective only when filed in writing with the Committee during the holder's lifetime on a form prescribed by the Committee. The spouse of a married holder domiciled in a community property jurisdiction shall join in any designation of a beneficiary other than such spouse. The filing with the Committee of a new beneficiary designation shall cancel all previously filed beneficiary designations.

If a holder fails to designate a beneficiary, or if all designated beneficiaries of a holder predecease the holder, then each outstanding option and SAR hereunder held by such holder, to the extent exercisable, may be exercised by such holder's executor, administrator, legal representative or similar person.

5.13 Governing Law. This Plan, each award hereunder and the related Agreement, and all determinations made and actions taken pursuant thereto, to the extent not otherwise governed by the Code or the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

5.14 Foreign Employees. Without amending this Plan, the Committee may grant awards to eligible persons who are foreign nationals on such terms and conditions different from those specified in this Plan as may in the judgment of the Committee be necessary or desirable to foster and promote achievement of the purposes of this Plan and, in furtherance of such purposes the Committee may make such modifications, amendments, procedures, subplans and the like as may be necessary or advisable to comply with provisions of laws in other countries or jurisdictions in which the Company or its Subsidiaries operates or has employees.

Exhibit 10.14

THERMON GROUP HOLDINGS, INC.
2011 LONG-TERM INCENTIVE PLAN

OPTION AWARD NOTICE

[Name of Optionee]

You have been awarded an option to purchase shares of Common Stock of Thermon Group Holdings, Inc. (the "Company"), pursuant to the terms and conditions of the Thermon Group Holdings, Inc. 2011 Long-Term Incentive Plan (the "Plan") and the Stock Option Agreement (together with this Award Notice, the "Agreement"). Copies of the Plan and the Stock Option Agreement are attached hereto. Capitalized terms not defined herein shall have the meanings specified in the Plan or the Agreement.

Option:	You have been awarded a **[Nonqualified]** Stock Option to purchase from the Company **[insert number]** shares of its Common Stock, par value $.001 per share, subject to adjustment as provided in Section 4.4 of the Agreement.
Option Date:	,
Exercise Price:	$ per share, subject to adjustment as provided in Section 4.4 of the Agreement.
Vesting Schedule:	Except as otherwise provided in the Plan, Agreement or any other agreement between the Company and Optionee, the Option shall vest in 20% increments on each of the first, second, third, fourth and fifth anniversaries of the Option Date, provided you remain continuously employed by the Company through such date.
Expiration Date:	Except to the extent earlier terminated pursuant to Section 2.2 of the Agreement or earlier exercised pursuant to Section 2.3 of the Agreement, the Option shall terminate at 5:00 p.m., Central time, on the tenth anniversary of the Option Date.
Restrictive Covenants:	You acknowledge and agree (i) that the covenants contained in Section 3 of the Agreement (the "Restrictive Covenants") are commercially reasonable and reasonably necessary to protect the Company s legitimate business interests without unduly restricting your post-employment remunerative opportunities causing you any hardship and (ii) the Restrictive Covenants are a material inducement to the Company to issue the Option, and that the Company would not do so in the absence of such covenants by you. If you breach any of the Restrictive Covenants while such Restrictive Covenants remain in full force and effect, then, in addition to and without in any way limiting any remedies under Section 3 of the Agreement and any other provable damages, the Option shall terminate automatically on the date you engage in such activity and you shall pay to the Company, within five business days of your receipt of a written demand therefor, an amount in cash determined by multiplying the number of shares purchased pursuant to each exercise of the Option occurring within the twenty-four (24) month period prior to the date you engage in such activity (without reduction for any shares delivered by you or withheld by the Company pursuant to Section 2.3 or Section 4.3 of the Agreement) by the excess, if any, of (i) the Fair Market Value of each such share on the date of such exercise over (ii) the Exercise Price per share. You may be released in whole or in part from your obligations hereunder only if and to the extent the Board determines in its sole discretion that such a release is in the best interests of the Company. By executing this Award Notice you authorize the Company and its affiliates to deduct any amount or amounts owed by you pursuant to this section of the Award Notice from any amounts payable by the Company or any affiliate to you, to the maximum extent permitted by law. This right of setoff shall not be an exclusive remedy and the Company's or an affiliate's election not to exercise this right of setoff with respect to any amount payable to you shall not constitute a waiver of this right of setoff with respect to any other amount payable to you or any other remedy.

THERMON GROUP HOLDINGS, INC.

By: ____________________
Name:
Title:

Acknowledgment, Acceptance and Agreement:

By signing below and returning this Award Notice to Thermon Group Holdings, Inc. at the address stated herein, I hereby acknowledge

receipt of the Agreement and the Plan, accept the Option granted to me and agree to be bound by the terms and conditions of this Award Notice, the Agreement and the Plan.

____
Optionee

____
Date

THERMON GROUP HOLDINGS, INC.
ATTENTION: CHIEF FINANCIAL OFFICER
100 THERMON DRIVE
SAN MARCOS, TEXAS 78666

THERMON GROUP HOLDINGS, INC.
2011 LONG-TERM INCENTIVE PLAN

STOCK OPTION AGREEMENT

Thermon Group Holdings, Inc., a Delaware corporation (the "Company"), hereby grants to the individual ("Optionee") named in the award notice attached hereto (the "Award Notice") as of the date set forth in the Award Notice (the "Option Date"), pursuant to the provisions of the Thermon Group Holdings, Inc. 2011 Long-Term Incentive Plan (the "Plan"), an option to purchase from the Company the number and class of shares of stock set forth in the Award Notice at the price per share set forth in the Award Notice (the "Exercise Price") (the "Option"), upon and subject to the terms and conditions set forth below, in the Award Notice and in the Plan. Capitalized terms not defined herein shall have the meanings specified in the Plan.

1. Option Subject to Acceptance of Agreement. The Option shall be null and void unless Optionee shall accept this Agreement by executing the Award Notice in the space provided therefor and returning an original execution copy of the Award Notice to the Company.

2. Time and Manner of Exercise of Option.

2.1. Maximum Term of Option. In no event may the Option be exercised, in whole or in part, after the expiration date set forth in the Award Notice (the "Expiration Date").

2.2. Vesting and Exercise of Option. The Option shall become vested and exercisable in accordance with the vesting schedule set forth in the Award Notice (the "Vesting Schedule"). The Option shall be vested and exercisable following a termination of Optionee's employment according to the following terms and conditions:

(a) Termination as a Result of Optionee's Death or Disability. If Optionee's employment with the Company terminates by reason of Optionee's death or Disability, then the Option, to the extent vested on the effective date of such termination of employment, may thereafter be exercised by Optionee or Optionee's executor, administrator, legal representative, guardian or similar person until and including the earlier to occur of (i) the date which is one year after the date of such termination of employment and (ii) the Expiration Date.

(b) Termination by the Company Other than for Cause, Death or Disability. If Optionee's employment with the Company terminates for any reason other than for Cause, death or Disability, the Option, to the extent vested on the effective date of such termination of employment, may thereafter be exercised by Optionee until and including the earlier to occur of (i) the date which is ninety (90) days after the date of such termination of employment and (ii) the Expiration Date.

(c) Termination by Company for Cause or by Optionee. If Optionee's employment with the Company terminates by reason of (i) the Company's termination of Optionee's employment for Cause or (ii) Optionee's resignation from employment, then the Option, whether or not vested, shall terminate immediately upon such termination of employment.

(d) Disability. For purpose of this Option, "Disability" shall mean the Optionee's inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

(e) Cause. For purposes of this Option, "Cause" shall have the meaning set forth in the employment agreement, if any, between the Optionee and the Company, provided that if Optionee is not a party to an employment agreement that contains such definition, then "Cause" shall mean any of the following, as reasonably determined, in good faith, by the Board: (i) the prosecution via information or indictment, or, if Optionee has waived any requirement of prosecution by indictment, the charge, of Optionee for a felony; (ii) the theft, conversion, embezzlement or misappropriation by Optionee of funds or other assets of the Company or any other act of fraud or dishonesty with respect to the Company (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) the intentional, grossly negligent or unlawful misconduct by Optionee, but only to the extent that such actions or inactions (a) actually cause material and significant harm to the Company; and (b) were engaged in by the Optionee with knowledge that they would cause material and significant harm to the Company; (iv) the violation by Optionee of any law regarding employment discrimination or sexual harassment; (v) the failure by Optionee to comply with any material policy generally applicable to Company employees, which failure is not cured in all material respects within 30 days after notice to Optionee; (vi) the repeated failure by Optionee to follow the reasonable directives of any supervisor or the Board, which failure is not cured in all material respects within 30 days after notice to Optionee; (vii) the unauthorized dissemination by Optionee of confidential information in violation of any agreement between the Company and Optionee; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Optionee (including Optionee's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Optionee when applying for employment with the Company; (ix) the Company's discovery that, prior to Optionee's employment with the Company, Optionee engaged in conduct of the type described in clauses (i) through (iv) above (it being understood that, in the case of clause (iii) above, such harm having impacted Optionee's prior employer or the Company); or (x) any other material breach by Optionee of this Agreement that is not cured within 30 days after notice to Optionee.

2.3. Method of Exercise. Subject to the limitations set forth in this Agreement, the Option may be exercised by Optionee (a) by delivering to the Company an exercise notice in the form prescribed by the Company specifying the number of whole shares of Stock to be purchased and by accompanying such notice with payment therefor in full (or by arranging for such payment to the Company's satisfaction) either (i) in cash, (ii) by delivery to the Company (either actual delivery or by attestation procedures established by the Company) of shares of Stock having an aggregate Fair Market Value, determined as of the date of exercise, equal to the aggregate purchase price payable pursuant to the Option by reason of such exercise, (iii) by authorizing the Company to withhold whole shares of Stock which would otherwise be delivered having an aggregate Fair Market Value, determined as of the date of exercise, equal to the amount necessary to satisfy such obligation, (iv) except as may be prohibited by applicable law, in cash by a broker-dealer acceptable to the Company to whom Optionee has submitted an irrevocable notice of exercise or (v) by a combination of (i), (ii) and (iii), and (b) by executing such documents as the Company may reasonably request. Any fraction of a share of Stock

which would be required to pay such purchase price shall be disregarded and the remaining amount due shall be paid in cash by Optionee. No certificate representing a share of Stock shall be issued or delivered until the full purchase price therefor and any withholding taxes thereon, as described in Section 4.3, have been paid.

2.4. Termination of Option. In no event may the Option be exercised after it terminates as set forth in this Section 2.4. The Option shall terminate, to the extent not earlier terminated pursuant to Section 2.2 or exercised pursuant to Section 2.3, on the Expiration Date. Upon the termination of the Option, the Option and all rights hereunder shall immediately become null and void.

3. Restrictive Covenants.

3.1. Confidential Information. The Company Group's employment of Optionee has resulted and will result in Optionee's exposure and access to confidential and proprietary information, including the Company Group's formulas, processes, administration and accounting systems, computer software, customer lists, vendor lists, due diligence files, financial information, technology, business strategies, business track record, and personal information about the Company Group's owners, directors, officers, and employees which Optionee did not have access to prior to his or her employment with the Company Group and which information is of great value to the Company Group, their owners, directors, officers, and employees. Optionee shall not, other than on the Company Group's behalf, at any time during Optionee's employment with the Company Group and thereafter, make available, divulge, disclose, or communicate in any manner whatsoever to anyone including, but not limited to, any person, firm, corporation, investor, member of the media, or entity, any such confidential or proprietary information, or use any such confidential or proprietary information for any purpose other than on the Company Group's behalf, unless authorized to do so in writing by the Chairman of the Board, required by law or court order, or such information has become publicly available other than by reason of a breach by Optionee of this Section 3.1 or of another individual's or entity's violation of an obligation not to disclose such information, which obligation is known to Optionee. Should Optionee be required by law or court order to disclose such confidential or proprietary information, Optionee shall give the Chairman of the Board reasonable notice so as to allow the Company Group sufficient opportunity to challenge such application of the law or court order, or to otherwise attempt to limit the scope of such disclosure. This Agreement applies to all confidential and proprietary information of the Company Group, regardless of when such information is or was disclosed to Optionee.

3.2. Non-Competition; Non-Solicitation. During Optionee's employment with the Company Group and for a period of two (2) years thereafter Optionee shall not, directly or indirectly, other than on the Company Group's behalf:

(i) Engage in any capacity in the Business in the continental United States or in any other geographic area where the Company Group manufactures, markets, distributes or sells its products or renders services within the twenty-four (24) month period ending on the last day on which Optionee is in the employment of the Company Group or otherwise actively involved in the operation or management of the Business (the "Termination Date"), including as an owner, employee, partner, investor, or independent contractor, provided

that nothing in this Section 3.2(i) shall prevent Optionee from owning less than five percent (5%) of any class of publicly traded securities of any such business so long as such investment is passive and Optionee has no other involvement with the issuer of such securities

(ii) Induce or assist in the inducement of any employee or independent contractor, including sales representatives or agents, to terminate or otherwise limit their relationship with the Company Group; or

(iii) Solicit any customer or potential customer of the Company Group with respect to the Business. For purposes of this Section 3.2(iii), a customer means any individual or entity to which the Company Group sold products or services within the twenty-four (24) month period immediately preceding the Termination Date. For purposes of this Section 3.2(iii), potential customer means any individual or entity to which the Company Group solicited in writing within the twelve (12) month period that immediately preceded the Termination Date.

3.3. Non-Disparagement. At no time shall Optionee, directly or indirectly, make (or cause to be made) to any Optionee any disparaging, derogatory or other negative or false statement about or with respect to the Company Group (including its products, services, policies, practices, operations, employees, sales representatives, agents, officers, members, managers, partners or directors).

3.4. Patents, Copyrights, Trademarks and Other Property Rights. Any and all inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, and computer software relating to the Company Group's business (whether or not patentable), discovered, developed, or learned by Optionee during his or her employment with the Company Group are the sole and absolute property of the Company Group and are "works made for hire" as that term is defined in the copyright laws of the United States. The Company Group is the sole and absolute owner of all patents, copyrights, trademarks, and other property rights to those items and Optionee will fully assist the Company Group, at the Company Group's cost and expense, to obtain the patents, copyrights, trademarks, or other property rights to all such inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, or computer software. Optionee has been notified by the Company Group and understands that the foregoing provisions of this Section 3.4 do not apply to an invention for which no equipment, supplies, facilities, confidential, proprietary, or trade secret information of the Company Group was used and which was developed entirely on Optionee's own time, unless the invention: (i) relates directly to the business of the Company Group; (ii) relates directly to the Company Group's actual or demonstrably anticipated research and development, or (iii) results from any work performed by Optionee for the Company Group.

3.5. Scope of Covenants. Participant hereby acknowledges and agrees that the covenants and the territorial, time, activity and other limitations set forth in this Section 3 (or the lack thereof, as the case may be) are commercially reasonable and are properly required to protect the Company Group and its members' respective businesses. If any such territorial, time or activity limitation (or the lack thereof) is determined to be unreasonable or otherwise unenforceable by a court or other tribunal or competent jurisdiction, the parties agree to the

reduction of such territorial, time or activity limitations (including the imposition of such a limitation if it is missing) to such an area, period, scope of activity or other limitation as said court or other tribunal shall deem reasonable and enforceable under the circumstances. Also, if any member of the Company Group seeks partial enforcement of this Section 3 as to only a territory, time, scope of activity or other limitation that is reasonable, then such member of the Company Group shall be entitled to such reasonable partial enforcement. If such reduction or (if any member of the Company Group seeks partial enforcement) such partial enforcement is not possible, or if a court or other tribunal of competent jurisdiction declines for any or no reason to grant such reduction or partial enforcement, as applicable, then the unenforceable provision or portion thereof shall be severed as provided in Section 5.4, without affecting the remaining provisions of this Agreement.

3.6. Tolling. The period of time in which Optionee is required to act, or refrain from acting, pursuant to this Section 3 shall be tolled (shall not run) for so long as Optionee is in breach of any of Optionee's obligations hereunder.

3.7. Business. For purposes of this Section 3, "Business" shall mean the business activities conducted by or planned to be undertaken by the Company Group while Optionee is a holder of any Common Stock acquired pursuant to the exercise of this Option or while Optionee is employed by the Company Group, including any business involving the design, engineering, manufacture or sale of heat tracing systems (for example, products involving the application of external heat to pipes, vessels, instruments or other equipment for the purposes of freeze protection, process temperature maintenance, environmental monitoring or surface snow and ice melting, heat tracing equipment, heat tracing tubing bundles, and heat tracing control systems), heat tracing system consultation, heat tracing system installation, heat tracing system maintenance and any other products sold or services provided by the Company Group and the provision of related services.

3.8. Company Group. For purposes of this Section 3, "Company Group" shall mean the Company and any Subsidiary thereof, collectively and individually.

4. Additional Terms and Conditions of Option.

4.1. Nontransferability of Option. The Option may not be transferred by Optionee other than by will or the laws of descent and distribution or pursuant to the designation of one or more beneficiaries on the form prescribed by the Company. Except to the

extent permitted by the foregoing sentence, (i) during Optionee's lifetime the Option is exercisable only by Optionee or Optionee's legal representative, guardian or similar person and (ii) the Option may not be sold, transferred, assigned, pledged, hypothecated, encumbered or otherwise disposed of (whether by operation of law or otherwise) or be subject to execution, attachment or similar process. Upon any attempt to so sell, transfer, assign, pledge, hypothecate, encumber or otherwise dispose of the Option, the Option and all rights hereunder shall immediately become null and void.

4.2. Investment Representation. Optionee hereby represents and covenants that (a) any shares of Stock purchased upon exercise of the Option will be purchased for investment and not with a view to the distribution thereof within the meaning of the Securities

Act of 1933, as amended (the "Securities Act"), unless such purchase has been registered under the Securities Act and any applicable state securities laws; (b) any subsequent sale of any such shares shall be made either pursuant to an effective registration statement under the Securities Act and any applicable state securities laws, or pursuant to an exemption from registration under the Securities Act and such state securities laws; and (c) if requested by the Company, Optionee shall submit a written statement, in a form satisfactory to the Company, to the effect that such representation (x) is true and correct as of the date of any purchase of any shares hereunder or (y) is true and correct as of the date of any sale of any such shares, as applicable. As a further condition precedent to any exercise of the Option, Optionee shall comply with all regulations and requirements of any regulatory authority having control of or supervision over the issuance or delivery of the shares and, in connection therewith, shall execute any documents which the Board or the Committee shall in its sole discretion deem necessary or advisable.

4.3. Withholding Taxes. (a) As a condition precedent to the issuance of Stock upon exercise of the Option, Optionee shall, upon request by the Company, pay to the Company in addition to the purchase price of the shares, such amount as the Company may be required, under all applicable federal, state, local or other laws or regulations, to withhold and pay over as income or other withholding taxes (the "Required Tax Payments") with respect to such exercise of the Option. If Optionee shall fail to advance the Required Tax Payments after request by the Company, the Company may, in its discretion, deduct any Required Tax Payments from any amount then or thereafter payable by the Company to Optionee.

(b) Optionee may elect to satisfy his or her obligation to advance the Required Tax Payments by any of the following means: (1) a cash payment to the Company, (2) delivery to the Company (either actual delivery or by attestation procedures established by the Company) of previously owned whole shares of Stock having an aggregate Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments, (3) authorizing the Company to withhold whole shares of Stock which would otherwise be delivered to Optionee upon exercise of the Option having an aggregate Fair Market Value, determined as of the Tax Date, equal to the Required Tax Payments, (4) except as may be prohibited by applicable law, a cash payment by a broker-dealer acceptable to the Company to whom Optionee has submitted an irrevocable notice of exercise or (5) any combination of (1), (2) and (3). Shares of Stock to be delivered or withheld may not have a Fair Market Value in excess of the minimum amount of the Required Tax Payments. Any fraction of a share of Stock which would be required to satisfy any such obligation shall be disregarded and the remaining amount due shall be paid in cash by Optionee. No certificate representing a share of Stock shall be issued or delivered until the Required Tax Payments have been satisfied in full.

4.4. Adjustment. In the event of any stock split, stock dividend, recapitalization, reorganization, merger, consolidation, combination, exchange of shares, liquidation, spin-off or other similar change in capitalization or event, or any distribution to holders of Stock other than a regular cash dividend, the number and class of securities subject to the Option and the Exercise Price shall be equitably adjusted by the Committee and in accordance with Section 409A of the Code. The decision of the Committee regarding any such adjustment shall be final, binding and conclusive. If any such adjustment would result in a fractional security being subject to the Option, the Company shall pay Optionee, in connection with the first exercise occurring after such adjustment, an amount in cash determined by

multiplying (i) the fraction of such security (rounded to the nearest hundredth) by (ii) the excess, if any, of (A) the Fair Market Value on such date over (B) the Exercise Price of the Option.

4.5. Change in Control. In the event of a Change in Control, the Option shall be subject to Section 5.8 of the Plan.

4.6. Compliance with Applicable Law. The Option is subject to the condition that if the listing, registration or qualification of the shares subject to the Option upon any securities exchange or under any law, or the consent or approval of any governmental body, or the taking of any other action is necessary or desirable as a condition of, or in connection with, the purchase or issuance of shares hereunder, the Option may not be exercised, in whole or in part, and such shares may not be issued, unless such listing, registration, qualification, consent, approval or other action shall have been effected or obtained, free of any conditions not acceptable to the Company. The Company agrees to use reasonable efforts to effect or obtain any such listing, registration, qualification, consent, approval or other action.

4.7. Issuance or Delivery of Shares. Upon the exercise of the Option, in whole or in part, the Company shall issue or deliver, subject to the conditions of this Article 3, the number of shares of Stock purchased against full payment therefor. Such issuance shall be evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company. The Company shall pay all original issue or transfer taxes and all fees and expenses incident to such issuance, except as

otherwise provided in Section 4.3.

4.8. Option Confers No Rights as Stockholder. Optionee shall not be entitled to any privileges of ownership with respect to shares of Stock subject to the Option unless and until such shares are purchased and issued upon the exercise of the Option, in whole or in part, and Optionee becomes a stockholder of record with respect to such issued shares. Optionee shall not be considered a stockholder of the Company with respect to any such shares not so purchased and issued.

4.9. Option Confers No Rights to Continued Employment. In no event shall the granting of the Option or its acceptance by Optionee, or any provision of this Agreement or the Plan, give or be deemed to give Optionee any right to continued employment by the Company, any Subsidiary or any affiliate of the Company or affect in any manner the right of the Company, any Subsidiary or any affiliate of the Company to terminate the employment of any person at any time.

5. Miscellaneous Provisions.

5.1. Decisions of Board or Committee. The Board or the Committee shall have the right to resolve all questions which may arise in connection with the Option or its exercise. Any interpretation, determination or other action made or taken by the Board or the Committee regarding the Plan or this Agreement shall be final, binding and conclusive.

5.2. Successors. This Agreement shall be binding upon and inure to the benefit of any successor or successors of the Company and any person or persons who shall, upon the death of Optionee, acquire any rights hereunder in accordance with this Agreement or the Plan.

5.3. Notices. All notices, requests or other communications provided for in this Agreement shall be made, if to the Company, to Thermon Group Holdings, Inc., Attn. Chief Financial Officer, 100 Thermon Drive, San Marcos, Texas 78666, and if to Optionee, to the last known mailing address of Optionee contained in the records of the Company. All notices, requests or other communications provided for in this Agreement shall be made in writing either (a) by personal delivery, (b) by facsimile or electronic mail with confirmation of receipt, (c) by mailing in the United States mails or (d) by express courier service. The notice, request or other communication shall be deemed to be received upon personal delivery, upon confirmation of receipt of facsimile or electronic mail transmission or upon receipt by the party entitled thereto if by United States mail or express courier service; provided, however, that if a notice, request or other communication sent to the Company is not received during regular business hours, it shall be deemed to be received on the next succeeding business day of the Company.

5.4. Partial Invalidity. The invalidity or unenforceability of any particular provision of this Agreement shall not effect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

5.5. Governing Law. This Agreement, the Option and all determinations made and actions taken pursuant hereto and thereto, to the extent not governed by the Code or the laws of the United States, shall be governed by the laws of the State of Delaware and construed in accordance therewith without giving effect to principles of conflicts of laws.

5.6. Counterparts. The Award Notice may be executed in two counterparts, each of which shall be deemed an original and both of which together shall constitute one and the same instrument.

5.7. Agreement Subject to the Plan. This Agreement is subject to the provisions of the Plan, and shall be interpreted in accordance therewith. Optionee hereby acknowledges receipt of a copy of the Plan, and by signing and returning the Award Notice to the Company, at the address stated herein, he or she agrees to be bound by the terms and conditions of this Agreement, the Award Notice and the Plan.

Exhibit 10.15

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is effective as of April 1, 2011, between Rodney Bingham ("Executive") and Thermon Holding Corp., a Delaware corporation (the "Company").

Whereas, Executive currently serves as the Company's President and Chief Executive Officer; and

Whereas, subject to the terms and conditions of this Agreement, the Company desires to continue to employ Executive as its Company's President and Chief Executive Officer.

Therefore, in consideration for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which both parties expressly acknowledge, Executive and the Company agree as follows:

1. **Employment.** Company hereby agrees to continue to employ Executive as its President and Chief Executive Officer, and Executive accepts such employment and agrees to remain so employed, upon the terms and conditions stated herein.

2. **Term.** Executive's employment under this Agreement shall begin on April 1, 2011, and shall continue thereafter until April 30, 2014, unless sooner terminated in accordance with Section 9 below.

3. **Duties and Responsibilities.** Executive shall perform such duties as are reasonably assigned to Executive by the Company's Board of Directors to whom Executive will report and shall be accountable. Such duties will include those duties and responsibilities traditionally provided by a President and Chief Executive Officer of a company, and may involve Company affiliates. Executive shall faithfully, diligently, and competently perform such services to the reasonable satisfaction of the Company's Board of Directors, and Executive shall devote his full time and best efforts, skill, and attention to the diligent performance and discharge of such duties and responsibilities.

4. **Exclusivity and Conflict of Interest.** Executive's employment with Company shall be exclusive. Accordingly, during Executive's employment with the Company, Executive shall not engage in any business activity other than on the Company's behalf without the express prior written approval of the Company's Board of Directors. It will not be a violation of this exclusivity provision for Executive to serve on charitable or civic boards or committees provided that such activity does not interfere with the performance of Executive's duties and responsibilities under this Agreement. Under no circumstance shall Executive engage in any activity that could create a conflict of interest between Executive and the Company or its affiliates.

5. **Base Salary.** For services rendered by Executive on the Company's behalf during Executive's employment, the Company will pay Executive a base salary ("Base Salary") at the annual rate of $350,000, less customary withholding. Base Salary may be changed periodically at the discretion of the Company's Board of Directors, but may not be reduced below $350,000 per year. The Company will pay Executive's pro-rata Base Salary on the Company's regular paydays.

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6. **Bonus.** Executive shall be eligible to receive an annual performance-based bonus ("Annual Bonus") based on the attainment of annual performance targets to be mutually agreed upon by Executive and the Board of Directors. The Annual Bonus shall be paid within two and one-half months following the end of the fiscal year in which such bonus was earned, provided that if by such time the determination of whether the Annual Bonus was earned (and the calculation of the amount thereof) is not complete, the Annual Bonus, if any, shall be paid as soon as practicable after such determination and calculation is complete, but in no event later than the last day of December in which the fiscal year end occurs. If (a) Executive is employed by the Company for at least nine months of a fiscal year, but not on the last day of such fiscal year, (b) Executive's employment is terminated by the Company for reasons other than Cause (as defined in Section 9(e) below) or Executive resigns with Good Reason (as defined in Section 9(g) below), and (c) based on the results of operations and financial performance of the Company for the entire fiscal year, Executive would have been entitled to an Annual Bonus in respect of such fiscal year had Executive remained employed by the Company on the last day of such fiscal year, Executive shall be entitled to a pro-rata portion of the Annual Bonus (payable at the time set forth above) based upon the portion of the fiscal year during which Executive was employed (e.g., 9 months of employment = 75% of Annual Bonus).

7. **Vacation and Other Employment Benefits.** During Executive's employment with the Company, Executive shall be entitled to five (5) weeks of personal time off per calendar year (pro-rated for partial years), taken at times mutually acceptable to Executive and the Company. Executive may carry over one week of unused personal time off from one calendar year to another. In addition, Executive may participate in those other employee benefit plans that the Company may make generally available to its salaried employees provided that Executive otherwise meets the eligibility requirements of those plans.

8. **Expense Reimbursement.** Executive shall be entitled to reimbursement for ordinary, necessary and reasonable out-of-pocket business expenses which Executive incurs in connection with performing Executive's duties under this Agreement, including reasonable business travel and meal expenses. The reimbursement of all such expenses shall be made in accordance with the Company's customary practice and policies (including presentation of evidence reasonably satisfactory to the Company of the amounts and nature of such expenses).

9. **Termination.** Either party may terminate Executive's employment upon giving 10 days prior written notice to the other party, except that the Company may terminate Executive's employment immediately for Cause, Disability (as defined in clause

(f) below), or death, without giving advance notice. At its option, the Company may pay Executive 10 days of Executive's Base Salary in lieu of notice. Anything contained in this Agreement to the contrary notwithstanding:

(a) Should Executive resign his employment with Good Reason or should the Company terminate Executive's employment other than for Cause, death, or Disability:

(i) The Company shall pay Executive the Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus, which is addressed in clause (ii) below), each pro-rated through Executive's employment termination date;

(ii) The Company shall pay Executive any Annual Bonus earned from a prior year but not yet paid and any portion of the Annual Bonus from the current fiscal year that is payable pursuant to Section 6 above, each payable in accordance with Section 6;

(iii) The Company shall pay Executive for any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above; and

(iv) Provided that (A) Executive delivers to the Company within sixty days following Executive's termination of employment a release of claims in form and substance satisfactory to the Company's Board of Directors, and (B) does not otherwise violate this Agreement prior to or during the twelve month severance payment period, the Company will continue to pay Executive's regular Base Salary in equal installments in accordance with the Company's normal payroll practices for a period of twelve months following Executive's termination of employment. Executive shall not be entitled to any benefits under this Section 9(a) if, at the time Executive's employment with the Company was terminated, grounds existed for the termination of Executive's employment for Cause under clauses (i) through (iv) and clause (vii) of Section 9(e) below.

(b) Should the Company terminate Executive's employment for Cause at any time or should Executive resign without Good Reason from employment at any time, the Company shall only pay (i) Executive's Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus), each pro-rated through Executive's employment termination date, and (ii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above.

(c) Should Executive's employment terminate by reason of death or Disability, the Company shall pay Executive or Executive's estate (i) any earned but unpaid portion of the Base Salary and any accrued but unpaid employment benefit as required by applicable law, each pro-rated through Executive's employment termination date, (ii) any Annual Bonus earned from a prior year but not yet paid (payable in accordance with Section 6), and (iii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above.

(d) On or before the employment termination date, Executive shall return to the Company all of its and its affiliates' property including all of the Company's documents, keys, credit cards, computer software, and all copies thereof. Other than as set forth in this Section 9, Executive shall not be entitled to any other compensation or benefits (including any bonus) upon termination of employment.

(e) For purposes of this Agreement, "Cause" means any of the following, as reasonably determined by the Company's Board of Directors and includes: (i) the commission by Executive of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation by Executive of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct by Executive which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation by Executive of any law regarding employment discrimination or sexual harassment; (v) the failure by Executive to comply with any material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to Executive; (vi) the repeated failure by Executive to follow the reasonable directives of any supervisor or the Company's Board of Directors, which failure is not cured within 30 days after notice to Executive; (vii) the unauthorized dissemination by Executive of confidential information in violation of Section 11 of this Agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Executive (including Executive's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Executive; (ix) the Company's discovery that, prior to Executive's employment with the Company, Executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by Executive of this Agreement that is not cured within 30 days after notice to Executive.

(f) For purposes of this Agreement, "Disability" means (i) a physical or mental health condition that causes Executive to be unable to perform his essential job functions for at least 90 consecutive days or for 120 days during any 180 day period, or (ii) that Executive is receiving long term disability benefits under any policy, plan, or program.

(g) For purposes of this Agreement, "Good Reason" means any of the following without Executive's consent: (i) the assignment to Executive of any duties or responsibilities materially inconsistent with Executive's position and title, or a material reduction in Executive's responsibilities and authority, except in connection with the termination of Employee's employment for Cause, Disability or death; (ii) a reduction by the Company in Executive's Base Salary below $350,000, except for a non-permanent reduction that is part of a program applied to other senior executives of the Company necessitated by economic or other financial conditions; or (iii) requiring Executive to relocate or perform services on a regular basis more than 25 miles from Executive's principal place of business as of the date hereof, or, in the event Executive consents to any relocation, the failure by the Company to pay (or reimburse Executive) for reasonable moving expenses under the Company Relocation Policy in effect at the time of the relocation; provided that Executive must notify the Company by written notice of his intention to terminate his employment for "Good Reason;" and provided, further, that such notice shall be provided to the Company within ninety (90) days of the initial existence of such event constituting "Good Reason;" and the Company shall have thirty (30) days to cure such event after receipt of such notice.

10. Patents, Copyrights, Trademarks, and Other Property Rights. Any and all inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, and computer software relating to the Company's or its affiliates' business (whether or not patentable), discovered, developed, or learned by Executive during his employment with the Company or used by the Company or its affiliates in the conduct of their respective businesses are the sole and absolute property of Company and are "works made for hire" as that term is defined in the copyright laws of the United States. The Company is the sole and absolute owner of all patents, copyrights, trademarks, and other property rights to those items and Executive will fully assist the Company to obtain the patents, copyrights, trademarks, or other property rights to all such inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, or computer software. Executive has been notified by the Company and understands that the foregoing provisions of this Section 10 do not apply to an invention for which no equipment, supplies, facilities, confidential, proprietary, or trade secret information of the Company or its affiliates was used and which was developed entirely on Executive's own time, unless the invention: (a) relates to the business of the Company or its affiliates or to their actual or demonstrably anticipated research and development, or (b) results from any work performed by Executive for the Company or its affiliates.

11. Non-Disclosure and Use of Confidential and Proprietary Information. The Company's employment of Executive has resulted and will result in Executive's exposure and access to confidential and proprietary information, to which the Company agrees to continue to provide Executive after this Agreement becomes effective, that includes (among other things) the Company's and its affiliates' formulas, processes, administration and accounting systems, computer software, customer lists, vendor lists, due diligence files, financial information, technology, business strategies, business track record, and personal information about the Company's and its affiliates' owners, directors, officers, and employees, which information is of great value to the Company, its affiliates, their owners, Directors, officers, and employees. Executive shall not, other than on the Company's behalf, at any time during Executive's employment with the Company and thereafter, make available, divulge, disclose, or communicate in any manner whatsoever to anyone including any person, firm, corporation, investor, member of the media, or entity, any such confidential or proprietary information, or use any such confidential or proprietary information for any purpose other than on the Company's behalf, unless authorized to do so in writing by Company's Chairman of the Board of Directors, required by law or court order, or such information has become publicly available other than by reason of a breach by Executive of this Section 11 or of another individual's or entity's violation of an obligation not to disclose such information. Should Executive be required by law or court order to disclose such confidential or proprietary information, Executive shall give the Company's Chairman of the Board of Directors reasonable notice so as to allow the Company sufficient opportunity to challenge such application of the law or court order, or to otherwise attempt to limit the scope of such disclosure. This Agreement applies to all confidential and proprietary information of the Company and its affiliates, regardless of when such information is or was disclosed to Executive.

12. Restrictive Covenants. During Executive's employment with the Company and for a period of one (1) year after the termination of that employment, Executive agrees to not, directly or indirectly, other than on the Company's behalf:

(a) Engage or participate, in any country in the world in which the Company does business or has begun to formulate a plan to do business during the term of

Executive's employment with the Company, as an owner, partner, member, shareholder, independent contractor, employee, consultant, agent, advisor or (without limitation by the specific enumeration of the foregoing) otherwise in any business involving a Competitive Business Activity (as defined below), provided that nothing in this Section 12 shall prevent Executive from owning less than five percent (5%) of any class of publicly traded securities of any such business so long as such investment is passive and Executive has no other involvement with the issuer of such securities. For purposes of this Agreement, "Competitive Business Activity" means the design, engineering, manufacture or sale of heat tracing systems (for example, products involving the application of external heat to pipes, vessels, instruments or other

equipment for the purposes of freeze protection, process temperature maintenance, environmental monitoring or surface snow and ice melting, heat tracing equipment, heat tracing tubing bundles, and heat tracing control systems), heat tracing system consultation, heat tracing system installation, and heat tracing system maintenance;

(b) Solicit any customer or potential customer of the Company or any of its affiliates that Executive had contact with during the term of his employment with respect to the sale or provision of any Competitive Business Activity that the Company or its affiliates manufactured, sold, or was in the process of developing during Executive's employment with the Company. For purposes of this subsection 12(b), (i) a customer means any individual or entity to which the Company or any of its affiliates sold products or rendered services within the 24 month period immediately preceding Executive's employment termination date, and (ii) potential customer means any individual or entity to which the Company or any of its affiliates solicited (or had active plans to solicit) within the 12 month period that immediately preceded Executive's employment termination date; or

(c) Induce or assist in the inducement of any individual or independent contractor (including sales representatives or agents) to terminate or otherwise limit their relationship with the Company or any of its affiliates.

The period of time in which Executive is required to act, or refrain from acting, pursuant to this Section 12 shall be tolled (shall not run) for so long as Executive is in breach of any of Executive's obligations thereunder.

13. Non-Disparagement. At no time shall Executive, directly or indirectly, ever make (or cause to be made) any disparaging, derogatory or other negative or false statement regarding the Company, its affiliates, their products, services, practices, policies, operations, owners, directors, officers, partners, employees, sales representatives, or agents. The Company shall direct the members of its Board of Directors and its senior executives to not make (or cause to be made) at any time, directly or indirectly, any disparaging, derogatory or other negative or false statement regarding Executive.

14. Injunctive Relief. Executive acknowledges and agrees that the covenants contained in Sections 10 - 13 above are reasonable in scope and duration, do not unduly restrict Executive's ability to engage in Executive's livelihood, and are necessary to protect the Company's legitimate business interests (including without limitation, the protection of its confidential and proprietary information). Without limiting the rights of the Company to pursue any other legal and/or

equitable remedies available to it for any breach by Executive of the covenants contained in Sections 10 - 13 above, Executive acknowledges that a breach of those covenants would cause a loss to the Company for which it could not reasonably or adequately be compensated by damages in an action at law, that remedies other than injunctive relief could not fully compensate the Company for a breach of those covenants and that, accordingly, the Company shall be entitled to injunctive relief (without the requirement of posting a bond or other security) to prevent any breach or continuing breaches of Executive's covenants as set forth in Sections 10 - 13 above. It is the intention of the parties that if, in any action before any court empowered to enforce such covenants, any term, restriction, covenant, or promise is found to be unenforceable, then such term, restriction, covenant, or promise shall be deemed modified to the extent necessary to make it enforceable by such court to the fullest extent possible. If any provision of this Agreement (including without limitation Sections 10-13) is held invalid or unenforceable for any reason (after any such modification or limitation pursuant to the preceding sentence, as applicable), such provision will be ineffective only to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or the remaining provisions of this Agreement.

15. The Company's Disclosure to Executive's Prospective or Subsequent Employers. Executive expressly authorizes the Company to disclose this Agreement, any provision hereof, or any other policy or agreement between the Company and Executive to Executive's prospective or subsequent employers.

16. Mandatory Mediation. Other than disputes involving the covenants and obligations set forth in Sections 10 - 13 above which may be directly filed in a court of competent jurisdiction, Executive and the Company agree that all other disputes and claims of any nature that Executive may have against the Company including all statutory, contractual, and common law claims (including all employment discrimination claims), and all other disputes and claims of any nature that the Company may have against Executive, will be submitted exclusively first to mandatory mediation in a mutually agreed-upon location, under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association or under such other rules or under the auspices of such other organization as the parties may mutually agree. All information regarding the dispute or claim or mediation proceedings, including any mediation settlement, shall not be disclosed by Executive, the Company, or any mediator to any third party without the written consent of the Company's Chairman of the Board of Directors and Executive.

17. Assignment. The services rendered by Executive to the Company are unique and personal. Accordingly, Executive may not assign any of the rights or delegate any of the duties or obligations under this Agreement. This Agreement is enforceable by the Company and its affiliates and may, upon written notice to Executive, be assigned or transferred by the Company to, and shall be binding upon and inure to the benefit of, any parent, subsidiary or other affiliate of the Company or any entity which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the assets, stock or business of the Company.

18. Notices. All notices hereunder shall be in writing and shall be delivered by hand, by facsimile (or photo or other electronic means), by local messenger or by reputable overnight courier. Notices shall be deemed given: (1) when received, if delivered by hand or local messenger; (2) when sent, if sent by facsimile, photo or other electronic means during the recipient's normal business hours; (3) on the first business day after being sent, if sent by facsimile, photo or other electronic means other

than during the recipient's normal business hours; and (4) one business day after being delivered to a reputable overnight courier for next day delivery. A notice delivered by facsimile, photo or other electronic means shall only be effective on the date set forth above, however, if the notice is also given by hand, local messenger or courier no later than two business days after its delivery by facsimile, photo or other electronic means. All notices shall be addressed as follows: (1) **if to the Company**: Thermon Holding Corp., C/O CHS Private Equity V LP, 10 South Wacker Drive, Suite 3175, Chicago, Illinois 60606, Attention: Daniel J. Hennessy and Marcus J. George, Fax: (312) 876-3854; with copies (which shall not constitute notice) to Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, fax: (312) 853-7036, attention: Roger R. Wilen and Jeffrey Smith; (2) **if to Executive**: Rodney Bingham, to the home address last shown on the records of the Company; or (in each case) to such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 18.

19. Waiver. The Company's waiver of a breach by Executive of any provision of this Agreement or failure to enforce any such provision with respect to Executive shall not operate or be construed as a waiver of any subsequent breach by Executive of any such provision or of any other provision or of the Company's right to enforce any such provision or any other provision with respect to Executive. No act or omission of the Company shall constitute a waiver of any of its rights hereunder except for a written waiver signed by the Company's Chairman of the Board of Directors.

20. Governing Law. This Agreement shall in all respects be governed by the substantive laws of the State of Texas without regard to its or any other state's conflict of law rules.

21. Amendment. The terms of this Agreement may be modified only by a writing signed by both Executive and the Company's Chairman of the Board of Directors.

22. Post-Employment Effectiveness. Executive expressly acknowledges that Sections 10 - 26 of this Agreement remain in effect after the termination of Executive's employment with Company.

23. Section 409A. This Agreement is intended to comply with the requirements of Section 409A of the Code, and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and for purposes of the separation pay exemption, each installment paid to Executive under this Agreement shall be considered a separate payment. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code ("409A Penalties"), the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible; provided that in no event shall the Company be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent any amounts under this Agreement are payable by reference to Executive's "termination of employment" such term and similar terms shall be deemed to refer to Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a "specified employee," as defined in Section 409A of the Code, as of the date of Executive's separation from service, then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive's separation from service and (iii) under the terms of this

Agreement would be payable prior to the six-month anniversary of Executive's separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive's death. In addition, each payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, which is conditioned upon Executive's execution of a release and which is to be paid during a designated period that begins in a first taxable year and ends in a second taxable year shall be paid in the second taxable year. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement during a calendar year shall not affect the amount of expenses eligible for reimbursement during any other calendar year. The right to any reimbursement pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

24. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the matters described herein, and supersedes any and all prior and/or contemporaneous agreements and understandings, oral or written, between the parties, provided that nothing in this Agreement shall limit or otherwise affect Executive's obligations under his Beneficial Seller Restrictive Covenant Agreement dated March 26, 2010 or Manager Equity Agreement dated April 30, 2010.

25. Counterparts; Facsimiles. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. A facsimile, photo or other electronic copy of this Agreement (or any counterpart hereof) shall be deemed to be an original.

26. Construction. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement shall not be construed strictly against the drafter (and any rule of construction to that effect shall not be applied).

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EXECUTIVE AND THE COMPANY EACH REPRESENT AND WARRANT THAT EACH HAS READ THIS AGREEMENT, EACH UNDERSTANDS ITS TERMS, AND EACH AGREES TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first above written.

RODNEY BINGHAM	**THERMON HOLDING CORP.**
/s/ Rodney Bingham	By: /s/ Marcus J. George
	Name: Marcus J. George
	Its: Vice President

Exhibit 10.16

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is effective as of April 1, 2011, between George P. Alexander ("Executive") and Thermon Holding Corp., a Delaware corporation (the "Company").

Whereas, Executive currently serves as the Company's Senior Vice President, Eastern Hemisphere; and

Whereas, subject to the terms and conditions of this Agreement, the Company desires to employ Executive as its Executive Vice President, Global Sales.

Therefore, in consideration for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which both parties expressly acknowledge, Executive and the Company agree as follows:

1. Employment. Company hereby agrees to employ Executive as its Executive Vice President, Global Sales, and Executive accepts such employment and agrees to remain so employed, upon the terms and conditions stated herein.

2. Term. Executive's employment under this Agreement shall begin on April 1, 2011, and shall continue thereafter until April 30, 2014, unless sooner terminated in accordance with Section 9 below.

3. Duties and Responsibilities. Executive shall perform such duties as are reasonably assigned to Executive by the Company's President and Chief Executive Officer to whom Executive will report and shall be accountable. Such duties will include those duties and responsibilities traditionally provided by an Executive Vice President responsible for the global sales and marketing function of a company, and may involve Company affiliates. Executive shall faithfully, diligently, and competently perform such services to the reasonable satisfaction of the Company's President and Chief Executive Officer, and Executive shall devote his full time and best efforts, skill, and attention to the diligent performance and discharge of such duties and responsibilities.

4. Exclusivity and Conflict of Interest. Executive's employment with Company shall be exclusive. Accordingly, during Executive's employment with the Company, Executive shall not engage in any business activity other than on the Company's behalf without the express prior written approval of the Company's Board of Directors. It will not be a violation of this exclusivity provision for Executive to serve on charitable or civic boards or committees provided that such activity does not interfere with the performance of Executive's duties and responsibilities under this Agreement. Under no circumstance shall Executive engage in any activity that could create a conflict of interest between Executive and the Company or its affiliates.

5. Base Salary. For services rendered by Executive on the Company's behalf during Executive's employment, the Company will pay Executive a base salary ("Base Salary") at the annual rate of $295,000, less customary withholding. Base Salary may be changed periodically at the discretion of the Company's Board of Directors, but may not be reduced below $295,000 per year. The Company will pay Executive's pro-rata Base Salary on the Company's regular paydays.

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6. Bonus. Executive shall be eligible to receive an annual performance-based bonus ("Annual Bonus") based on the attainment of annual performance targets to be mutually agreed upon by Executive and the Board of Directors. The Annual Bonus shall be paid within two and one-half months following the end of the fiscal year in which such bonus was earned, provided that if by such time the determination of whether the Annual Bonus was earned (and the calculation of the amount thereof) is not complete, the Annual Bonus, if any, shall be paid as soon as practicable after such determination and calculation is complete, but in no event later than the last day of December in which the fiscal year end occurs. If (a) Executive is employed by the Company for at least nine months of a fiscal year, but not on the last day of such fiscal year, (b) Executive's employment is terminated by the Company for reasons other than Cause (as defined in Section 9(e) below) or Executive resigns with Good Reason (as defined in Section 9(g) below), and (c) based on the results of operations and financial performance of the Company for the entire fiscal year, Executive would have been entitled to an Annual Bonus in respect of such fiscal year had Executive remained employed by the Company on the last day of such fiscal year, Executive shall be entitled to a pro-rata portion of the Annual Bonus (payable at the time set forth above) based upon the portion of the fiscal year during which Executive was employed (e.g., 9 months of employment = 75% of Annual Bonus).

7. Vacation and Other Employment Benefits. During Executive's employment with the Company, Executive shall be entitled to five (5) weeks of personal time off per calendar year (pro-rated for partial years), taken at times mutually acceptable to Executive and the Company. Executive may carry over one week of unused personal time off from one calendar year to another. In addition, Executive may participate in those other employee benefit plans that the Company may make generally available to its salaried employees provided that Executive otherwise meets the eligibility requirements of those plans.

8. Expense Reimbursement. Executive shall be entitled to reimbursement for ordinary, necessary and reasonable out-of-pocket business expenses which Executive incurs in connection with performing Executive's duties under this Agreement, including reasonable business travel and meal expenses. The reimbursement of all such expenses shall be made in accordance with the Company's customary practice and policies (including presentation of evidence reasonably satisfactory to the Company of the amounts and nature of such expenses).

9. Termination. Either party may terminate Executive's employment upon giving 10 days prior written notice to the other party, except that the Company may terminate Executive's employment immediately for Cause, Disability (as defined in clause (f) below), or death, without giving advance notice. At its option, the Company may pay Executive 10 days of Executive's Base Salary

in lieu of notice. Anything contained in this Agreement to the contrary notwithstanding:

(a) Should Executive resign his employment with Good Reason or should the Company terminate Executive's employment other than for Cause, death, or Disability:

(i) The Company shall pay Executive the Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus, which is addressed in clause (ii) below), each pro-rated through Executive's employment termination date;

(ii) The Company shall pay Executive any Annual Bonus earned from a prior year but not yet paid and any portion of the Annual Bonus from the current fiscal year that is payable pursuant to Section 6 above, each payable in accordance with Section 6;

(iii) The Company shall pay Executive for any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above; and

(iv) Provided that (A) Executive delivers to the Company within sixty days following Executive's termination of employment a release of claims in form and substance satisfactory to the Company's Board of Directors, and (B) does not otherwise violate this Agreement prior to or during the twelve month severance payment period, the Company will continue to pay Executive's regular Base Salary in equal installments in accordance with the Company's normal payroll practices for a period of twelve months following Executive's termination of employment. Executive shall not be entitled to any benefits under this Section 9(a) if, at the time Executive's employment with the Company was terminated, grounds existed for the termination of Executive's employment for Cause under clauses (i) through (iv) and clause (vii) of Section 9(e) below.

(b) Should the Company terminate Executive's employment for Cause at any time or should Executive resign without Good Reason from employment at any time, the Company shall only pay (i) Executive's Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus), each pro-rated through Executive's employment termination date, and (ii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above.

(c) Should Executive's employment terminate by reason of death or Disability, the Company shall pay Executive or Executive's estate (i) any earned but unpaid portion of the Base Salary and any accrued but unpaid employment benefit as required by applicable law, each pro-rated through Executive's employment termination date, (ii) any Annual Bonus earned from a prior year but not yet paid (payable in accordance with Section 6), and (iii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 8 above.

(d) On or before the employment termination date, Executive shall return to the Company all of its and its affiliates' property including all of the Company's documents, keys, credit cards, computer software, and all copies thereof. Other than as set forth in this Section 9, Executive shall not be entitled to any other compensation or benefits (including any bonus) upon termination of employment.

(e) For purposes of this Agreement, "Cause" means any of the following, as reasonably determined by the Company's Board of Directors and includes: (i) the commission by Executive of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation by Executive of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct by Executive which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation by Executive of any law regarding employment discrimination or sexual harassment; (v) the failure by Executive to comply with any material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to Executive; (vi) the repeated failure by Executive to follow the reasonable directives of any supervisor or the Company's Board of Directors, which failure is not cured within 30 days after notice to Executive; (vii) the unauthorized dissemination by Executive of confidential information in violation of Section 11 of this Agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Executive (including Executive's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Executive; (ix) the Company's discovery that, prior to Executive's employment with the Company, Executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by Executive of this Agreement that is not cured within 30 days after notice to Executive.

(f) For purposes of this Agreement, "Disability" means (i) a physical or mental health condition that causes Executive to be unable to perform his essential job functions for at least 90 consecutive days or for 120 days during any 180 day period, or (ii) that Executive is receiving long term disability benefits under any policy, plan, or program.

(g) For purposes of this Agreement, "Good Reason" means any of the following without Executive's consent: (i) the assignment to Executive of any duties or responsibilities materially inconsistent with Executive's position and title, or a material reduction in Executive's responsibilities and authority, except in connection with the termination of Employee's employment for Cause, Disability or death; (ii) a reduction by the Company in Executive's Base Salary below $295,000, except for a non-permanent reduction that is part of a program applied to other senior executives of the Company necessitated by economic or other financial conditions; or (iii) requiring Executive to relocate or perform services on a regular basis more than 25 miles from Executive's principal place of business as of the date hereof, or, in the event Executive consents to any relocation, the failure by the Company to pay (or reimburse Executive) for reasonable moving expenses under the Company Relocation Policy in effect at the time of the relocation; provided that Executive must notify the Company by written notice of his intention to terminate his employment for "Good Reason;" and provided, further, that such notice shall be provided to the Company within ninety (90) days of the initial existence of such event constituting "Good Reason;" and the Company shall have thirty (30) days to cure such event after receipt of such notice.

10. Patents, Copyrights, Trademarks, and Other Property Rights. Any and all inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, and computer software relating to the Company's or its affiliates' business (whether or not patentable), discovered, developed, or learned by Executive during his employment with the Company or used by the Company or its affiliates in the conduct of their respective businesses are the sole and absolute property of Company and are "works made for hire" as that term is defined in the copyright laws of the United States. The Company is the sole and absolute owner of all patents, copyrights, trademarks, and other property rights to those items and Executive will fully assist the Company to obtain the patents, copyrights, trademarks, or other property rights to all such inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, or computer software. Executive has been notified by the Company and understands that the foregoing provisions of this Section 10 do not apply to an invention for which no equipment, supplies, facilities, confidential, proprietary, or trade secret information of the Company or its affiliates was used and which was developed entirely on Executive's own time, unless the invention: (a) relates to the business of the Company or its affiliates or to their actual or demonstrably anticipated research and development, or (b) results from any work performed by Executive for the Company or its affiliates.

11. Non-Disclosure and Use of Confidential and Proprietary Information. The Company's employment of Executive has resulted and will result in Executive's exposure and access to confidential and proprietary information, to which the Company agrees to continue to provide Executive after this Agreement becomes effective, that includes (among other things) the Company's and its affiliates' formulas, processes, administration and accounting systems, computer software, customer lists, vendor lists, due diligence files, financial information, technology, business strategies, business track record, and personal information about the Company's and its affiliates' owners, directors, officers, and employees, which information is of great value to the Company, its affiliates, their owners, Directors, officers, and employees. Executive shall not, other than on the Company's behalf, at any time during Executive's employment with the Company and thereafter, make available, divulge, disclose, or communicate in any manner whatsoever to anyone including any person, firm, corporation, investor, member of the media, or entity, any such confidential or proprietary information, or use any such confidential or proprietary information for any purpose other than on the Company's behalf, unless authorized to do so in writing by Company's Chairman of the Board of Directors, required by law or court order, or such information has become publicly available other than by reason of a breach by Executive of this Section 11 or of another individual's or entity's violation of an obligation not to disclose such information. Should Executive be required by law or court order to disclose such confidential or proprietary information, Executive shall give the Company's Chairman of the Board of Directors reasonable notice so as to allow the Company sufficient opportunity to challenge such application of the law or court order, or to otherwise attempt to limit the scope of such disclosure. This Agreement applies to all confidential and proprietary information of the Company and its affiliates, regardless of when such information is or was disclosed to Executive.

12. Restrictive Covenants. During Executive's employment with the Company and for a period of one (1) year after the termination of that employment, Executive agrees to not, directly or indirectly, other than on the Company's behalf:

(a) Engage or participate, in any country in the world in which the Company does business or has begun to formulate a plan to do business during the term of

Executive's employment with the Company, as an owner, partner, member, shareholder, independent contractor, employee, consultant, agent, advisor or (without limitation by the specific enumeration of the foregoing) otherwise in any business involving a Competitive Business Activity (as defined below), provided that nothing in this Section 12 shall prevent Executive from owning less than five percent (5%) of any class of publicly traded securities of any such business so long as such investment is passive and Executive has no other involvement with the issuer of such securities. For purposes of this Agreement, "Competitive Business Activity" means the design, engineering, manufacture or sale of heat tracing systems (for example, products involving the application of external heat to pipes, vessels, instruments or other equipment for the purposes of freeze protection, process temperature maintenance, environmental monitoring or surface

snow and ice melting, heat tracing equipment, heat tracing tubing bundles, and heat tracing control systems), heat tracing system consultation, heat tracing system installation, and heat tracing system maintenance;

(b) Solicit any customer or potential customer of the Company or any of its affiliates that Executive had contact with during the term of his employment with respect to the sale or provision of any Competitive Business Activity that the Company or its affiliates manufactured, sold, or was in the process of developing during Executive's employment with the Company. For purposes of this subsection 12(b), (i) a customer means any individual or entity to which the Company or any of its affiliates sold products or rendered services within the 24 month period immediately preceding Executive's employment termination date, and (ii) potential customer means any individual or entity to which the Company or any of its affiliates solicited (or had active plans to solicit) within the 12 month period that immediately preceded Executive's employment termination date; or

(c) Induce or assist in the inducement of any individual or independent contractor (including sales representatives or agents) to terminate or otherwise limit their relationship with the Company or any of its affiliates.

The period of time in which Executive is required to act, or refrain from acting, pursuant to this Section 12 shall be tolled (shall not run) for so long as Executive is in breach of any of Executive's obligations thereunder.

13. Non-Disparagement. At no time shall Executive, directly or indirectly, ever make (or cause to be made) any disparaging, derogatory or other negative or false statement regarding the Company, its affiliates, their products, services, practices, policies, operations, owners, directors, officers, partners, employees, sales representatives, or agents. The Company shall direct the members of its Board of Directors and its senior executives to not make (or cause to be made) at any time, directly or indirectly, any disparaging, derogatory or other negative or false statement regarding Executive.

14. Injunctive Relief. Executive acknowledges and agrees that the covenants contained in Sections 10 - 13 above are reasonable in scope and duration, do not unduly restrict Executive's ability to engage in Executive's livelihood, and are necessary to protect the Company's legitimate business interests (including without limitation, the protection of its confidential and proprietary information). Without limiting the rights of the Company to pursue any other legal and/or

equitable remedies available to it for any breach by Executive of the covenants contained in Sections 10 - 13 above, Executive acknowledges that a breach of those covenants would cause a loss to the Company for which it could not reasonably or adequately be compensated by damages in an action at law, that remedies other than injunctive relief could not fully compensate the Company for a breach of those covenants and that, accordingly, the Company shall be entitled to injunctive relief (without the requirement of posting a bond or other security) to prevent any breach or continuing breaches of Executive's covenants as set forth in Sections 10 - 13 above. It is the intention of the parties that if, in any action before any court empowered to enforce such covenants, any term, restriction, covenant, or promise is found to be unenforceable, then such term, restriction, covenant, or promise shall be deemed modified to the extent necessary to make it enforceable by such court to the fullest extent possible. If any provision of this Agreement (including without limitation Sections 10-13) is held invalid or unenforceable for any reason (after any such modification or limitation pursuant to the preceding sentence, as applicable), such provision will be ineffective only to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or the remaining provisions of this Agreement.

15. The Company's Disclosure to Executive's Prospective or Subsequent Employers. Executive expressly authorizes the Company to disclose this Agreement, any provision hereof, or any other policy or agreement between the Company and Executive to Executive's prospective or subsequent employers.

16. Mandatory Mediation. Other than disputes involving the covenants and obligations set forth in Sections 10 - 13 above which may be directly filed in a court of competent jurisdiction, Executive and the Company agree that all other disputes and claims of any nature that Executive may have against the Company including all statutory, contractual, and common law claims (including all employment discrimination claims), and all other disputes and claims of any nature that the Company may have against Executive, will be submitted exclusively first to mandatory mediation in a mutually agreed-upon location, under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association or under such other rules or under the auspices of such other organization as the parties may mutually agree. All information regarding the dispute or claim or mediation proceedings, including any mediation settlement, shall not be disclosed by Executive, the Company, or any mediator to any third party without the written consent of the Company's Chairman of the Board of Directors and Executive.

17. Assignment. The services rendered by Executive to the Company are unique and personal. Accordingly, Executive may not assign any of the rights or delegate any of the duties or obligations under this Agreement. This Agreement is enforceable by the Company and its affiliates and may, upon written notice to Executive, be assigned or transferred by the Company to, and shall be binding upon and inure to the benefit of, any parent, subsidiary or other affiliate of the Company or any entity which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the assets, stock or business of the Company.

18. Notices. All notices hereunder shall be in writing and shall be delivered by hand, by facsimile (or photo or other electronic means), by local messenger or by reputable overnight courier. Notices shall be deemed given: (1) when received, if delivered by hand or local messenger; (2) when sent, if sent by facsimile, photo or other electronic means during the recipient's normal business hours; (3) on the first business day after being sent, if sent by facsimile, photo or other electronic means other

than during the recipient's normal business hours; and (4) one business day after being delivered to a reputable overnight courier for next day delivery. A notice delivered by facsimile, photo or other electronic means shall only be effective on the date set forth above, however, if the notice is also given by hand, local messenger or courier no later than two business days after its delivery by facsimile, photo or other electronic means. All notices shall be addressed as follows: (1) **if to the Company**: Thermon Holding Corp., C/O CHS Private Equity V LP, 10 South Wacker Drive, Suite 3175, Chicago, Illinois 60606, Attention: Daniel J. Hennessy and Marcus J. George, Fax: (312) 876-3854; with copies (which shall not constitute notice) to Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, fax: (312) 853-7036, attention: Roger R. Wilen and Jeffrey Smith; (2) **if to Executive**: George P. Alexander, to the home address last shown on the records of the Company; or (in each case) to such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 18.

19. Waiver. The Company's waiver of a breach by Executive of any provision of this Agreement or failure to enforce any such provision with respect to Executive shall not operate or be construed as a waiver of any subsequent breach by Executive of any such provision or of any other provision or of the Company's right to enforce any such provision or any other provision with respect to Executive. No act or omission of the Company shall constitute a waiver of any of its rights hereunder except for a written waiver signed by the Company's Chairman of the Board of Directors.

20. Governing Law. This Agreement shall in all respects be governed by the substantive laws of the State of Texas without regard to its or any other state's conflict of law rules.

21. Amendment. The terms of this Agreement may be modified only by a writing signed by both Executive and the Company's Chairman of the Board of Directors.

22. Post-Employment Effectiveness. Executive expressly acknowledges that Sections 10 - 26 of this Agreement remain in effect after the termination of Executive's employment with Company.

23. Section 409A. This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and for purposes of the separation pay exemption, each installment paid to Executive under this Agreement shall be considered a separate payment. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code ("409A Penalties"), the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible; provided that in no event shall the Company be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent any amounts under this Agreement are payable by reference to Executive's "termination of employment" such term and similar terms shall be deemed to refer to Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a "specified employee," as defined in Section 409A of the Code, as of the date of Executive's separation from service, then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive's

separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Executive's separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive's death. In addition, each payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, which is conditioned upon Executive's execution of a release and which is to be paid during a designated period that begins in a first taxable year and ends in a second taxable year shall be paid in the second taxable year. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement during a calendar year shall not affect the amount of expenses eligible for reimbursement during any other calendar year. The right to any reimbursement pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

24. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the matters described herein, and supersedes any and all prior and/or contemporaneous agreements and understandings, oral or written, between the parties, provided that nothing in this Agreement shall limit or otherwise affect Executive's obligations under his Beneficial Seller Restrictive Covenant Agreement dated March 26, 2010 or Amended and Restated Manager Equity Agreement dated April 30, 2010.

25. Counterparts; Facsimiles. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. A facsimile, photo or other electronic copy of this Agreement (or any counterpart hereof) shall be deemed to be an original.

26. Construction. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement shall not be construed strictly against the drafter (and any rule of construction to that effect shall not be applied).

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[Remainder of page intentionally blank]

EXECUTIVE AND THE COMPANY EACH REPRESENT AND WARRANT THAT EACH HAS READ THIS AGREEMENT, EACH UNDERSTANDS ITS TERMS, AND EACH AGREES TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first above written.

GEORGE P. ALEXANDER

/s/ George P. Alexander

THERMON HOLDING CORP.

By: /s/ Rodney Bingham
Name: Rodney Bingham
Its: President and Chief Executive Officer

Exhibit 10.17

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is effective as of April 1, 2011, between Jay Peterson ("Executive") and Thermon Holding Corp., a Delaware corporation (the "Company").

Whereas, Executive currently serves as the Company's Chief Financial Officer and Senior Vice President, Finance; and

Whereas, subject to the terms and conditions of this Agreement, the Company desires to employ continue to employ Executive as its Chief Financial Officer and Senior Vice President, Finance.

NOW, THEREFORE, in consideration for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which both parties expressly acknowledge, Executive and the Company agree as follows:

1. **Employment.** Company hereby employs Executive as its Chief Financial Officer, and Executive agrees to remain so employed, upon the terms and conditions stated herein. Executive's employment will be "at-will," without a fixed term, and may be terminated by the Company or by Executive at any time, with or without notice, for any reason or no reason (and no reason need be given), and, except as expressly provided in this Agreement, without obligation of severance or additional compensation.

2. **Duties and Responsibilities.** Executive shall perform such duties as are reasonably assigned to Executive by the Company's Chief Executive Officer to whom Executive will report and shall be accountable. Such duties will include those duties and responsibilities traditionally provided by a Chief Financial Officer of a company, and may involve Company affiliates. Executive shall faithfully, diligently, and competently perform such services to the reasonable satisfaction of the Company's Chief Executive Officer, and Executive shall devote his full time and best efforts, skill, and attention to the diligent performance and discharge of such duties and responsibilities.

3. **Exclusivity and Conflict of Interest.** Executive's employment with the Company shall be exclusive. Accordingly, during Executive's employment with the Company, Executive shall not engage in any business activity other than on the Company's behalf without the express prior written approval of the Company's Board of Directors. It will not be a violation of this exclusivity provision for Executive to serve on charitable or civic boards or committees provided that such activity does not interfere with the performance of Executive's duties and responsibilities under this Agreement. Under no circumstance shall Executive engage in any activity that could create a conflict of interest between Executive and the Company or its affiliates.

4. **Base Salary.** For services rendered by Executive on the Company's behalf during Executive's employment, the Company will pay Executive a base salary ("Base Salary") at the annual rate of $225,000, less customary withholding. Base Salary may be changed periodically at the discretion of the Company's Board of Directors, but may not be

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reduced below $225,000. The Company will pay Executive's pro-rata Base Salary on the Company's regular paydays.

5. **Bonus.** Executive shall be eligible to receive an annual performance-based bonus ("Annual Bonus"), with a target award of forty percent (40%) of Executive's Base Salary, based on the attainment of annual performance targets to be mutually agreed upon by Executive and the Board of Directors. The Annual Bonus shall be paid within two and one-half months following the end of the fiscal year in which such bonus was earned, provided that if by such time the determination of whether the Annual Bonus was earned (and the calculation of the amount thereof) is not complete, the Annual Bonus, if any, shall be paid as soon as practicable after such determination and calculation is complete, but in no event later than the last day of December in which the fiscal year end occurs. If Executive's employment is terminated by the Company for reasons other than Cause (as defined in Section 8(d) below) or Executive resigns due to a Change of Control or a Significant Diminution of Duties (as defined in Section 8(e) and 8(g) below), and, based on the results of operations and financial performance of the Company for the entire fiscal year, Executive would have been entitled to an Annual Bonus in respect of such fiscal year had Executive remained employed by the Company on the last day of such fiscal year, Executive shall be entitled to a pro-rata portion of the Annual Bonus (payable at the time set forth above) based upon the portion of the fiscal year during which Executive was employed (e.g., 9 months of employment = 75% of Annual Bonus).

6. **Vacation and Other Employment Benefits.** During Executive's employment with the Company, Executive shall be entitled to four (4) weeks (20 days) of personal time off per calendar year (pro-rated for partial years), taken at times mutually acceptable to Executive and the Company. In addition, Executive may participate in those other employee benefit plans that the Company may make generally available to its salaried employees provided that Executive otherwise meets the eligibility requirements of those plans.

7. **Expense Reimbursement.** Executive shall be entitled to reimbursement for ordinary, necessary and reasonable out-of-pocket business expenses which Executive incurs in connection with performing Executive's duties under this Agreement, including reasonable business travel and meal expenses. The reimbursement of all such expenses shall be made in accordance with the Company's customary practice and policies (including presentation of evidence reasonably satisfactory to the Company of the amounts and nature of such expenses).

8. **Termination and Severance.**

(a) Anything contained in this Agreement to the contrary notwithstanding, should Executive resign his employment

due to a Change of Control or a Significant Diminution of Duties or should the Company terminate Executive's employment other than for Cause:

(i) The Company shall pay Executive the Base Salary and any accrued employment benefit as required by applicable law, each pro-rated through Executive's employment termination date;

(ii) The Company shall pay Executive, in accordance with Section 5 above, any Annual Bonus earned from a prior year but not yet paid and any portion of the Annual Bonus from the fiscal year during which such termination occurs that is payable pursuant to Section 5 above, each payable in accordance with Section 5;

(iii) The Company shall pay Executive for any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 7 above; and

(iv) Provided that Executive (A) Executive delivers to the Company within sixty days following Executive's termination of employment a release of claims in form and substance satisfactory to the Company's Board of Directors, and (B) does not otherwise violate this Agreement, the Company will pay Executive a lump sum equal to seventy-five percent (75%) of Executive's annual Base Salary (i.e., nine months pay) on the 60th day following Executive's termination of employment. Executive shall not be entitled to any benefits under this Section 8(a)(iv), if, at the time Executive's employment with the Company was terminated, grounds existed for the termination of Executive's employment for Cause.

(b) Should Executive's employment with the Company terminate for any reason not specified in Section 8(a) above, the Company shall only pay (i) Executive's Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus), each pro-rated through Executive's employment termination date, and (ii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 7 above and shall have no other obligations with regard to the payment of compensation, severance, bonus or other amounts to Executive or Executive's estate.

(c) On or before the employment termination date, Executive shall return to the Company all of its and its affiliates' property including all of the Company's documents, keys, credit cards, computer software, and all copies thereof.

(d) For purposes of this Agreement, "Cause" means any of the following, as reasonably determined by the Company's Board of Directors and includes: (i) the commission by Executive of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation by Executive of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct by Executive which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation by Executive of any law regarding employment discrimination or sexual harassment; (v) the failure by Executive to comply with any

material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to Executive; (vi) the repeated failure by Executive to follow the reasonable directives of the Chief Executive Officer or the Company's Board of Directors, which failure is not cured within 30 days after notice to Executive; (vii) the unauthorized dissemination by Executive of confidential information in violation of Section 10 of this Agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Executive (including Executive's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Executive; (ix) the Company's discovery that, prior to Executive's employment with the Company, Executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by Executive of this Agreement that is not cured within 30 days after notice to Executive.

(e) For purposes of this Agreement, "Change of Control" means the sale (in a single transaction or a series of related transactions) of Thermon Group Holdings, Inc., a Delaware corporation ("Parent"), to any Person (other than CHS Private Equity V LP, a Delaware limited partnership, or its affiliate) pursuant to which such Person acquires (i) all or substantially all of the assets of Parent and all of its wholly-owned subsidiaries (including the Company), determined on a consolidated basis, or (ii) a majority of the then outstanding shares of Parent's common stock (whether by merger, consolidation, sale or transfer of shares, reorganization, recapitalization or otherwise); provided that Executive must notify the Company by written notice of his intention to terminate his employment after a Change of Control; and provided, further, that such notice shall be provided to the Company within one hundred and eighty (180) days of the Change of Control.

(f) For purposes of this Agreement, "Person" means any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization.

(g) For purposes of this Agreement, "Significant Diminution of Duties" means the assignment to Executive of any duties or responsibilities materially inconsistent with Executive's position and title, or a material reduction in Executive's responsibilities and authority, except in connection with the termination of Employee's employment for Cause, disability or death; provided that Executive must notify the Company by written notice of his intention to terminate his employment for a Significant Diminution of Duties; and provided, further, that such notice shall be provided to the Company within thirty (30) days of the initial existence of the action constituting a Significant Diminution of Duties, and the Company shall have thirty (30) days to cure such action that created the Significant Diminution of Duties after receipt of such notice, it being understood that if the Company so cures such action, no Significant Diminution of Duties shall be deemed to have existed.

9. Patents, Copyrights, Trademarks, and Other Property Rights. Any and all inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, and computer software relating to the Company's or its affiliates' business (whether or not patentable), discovered, developed, or

learned by Executive during his employment with the Company or used by the Company or its affiliates in the conduct of their respective businesses are the sole and absolute property of Company and are "works made for hire" as that term is defined in the copyright laws of the United States. The Company is the sole and absolute owner of all patents, copyrights, trademarks, and other property rights to those items and Executive will fully assist the Company to obtain the patents, copyrights, trademarks, or other property rights to all such inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, or computer software. Executive has been notified by the Company and understands that the foregoing provisions of this Section 9 do not apply to an invention for which no equipment, supplies, facilities, confidential, proprietary, or trade secret information of the Company or its affiliates was used and which was developed entirely on Executive's own time, unless the invention: (a) relates to the business of the Company or its affiliates or to their actual or demonstrably anticipated research and development, or (b) results from any work performed by Executive for the Company or its affiliates.

10. Non-Disclosure and Use of Confidential and Proprietary Information. The Company's employment of Executive has resulted and will result in Executive's exposure and access to confidential and proprietary information, to which the Company agrees to continue to provide Executive after this Agreement becomes effective, that includes (among other things) the Company's and its affiliates' formulas, processes, administration and accounting systems, computer software, customer lists, vendor lists, due diligence files, financial information, technology, business strategies, business track record, and personal information about the Company's and its affiliates' owners, directors, officers, and employees, which information is of great value to the Company, its affiliates, their owners, Directors, officers, and employees. Executive shall not, other than on the Company's behalf, at any time during Executive's employment with the Company and thereafter, make available, divulge, disclose, or communicate in any manner whatsoever to any Person any such confidential or proprietary information, or use any such confidential or proprietary information for any purpose other than on the Company's behalf, unless authorized to do so in writing by Company's Chairman of the Board of Directors, required by law or court order, or such information has become publicly available other than by reason of a breach by Executive of this Section 10 or of another Person's violation of an obligation not to disclose such information. Should Executive be required by law or court order to disclose such confidential or proprietary information, Executive shall give the Company's Chairman of the Board of Directors reasonable notice so as to allow the Company sufficient opportunity to challenge such application of the law or court order, or to otherwise attempt to limit the scope of such disclosure. This Agreement applies to all confidential and proprietary information of the Company and its affiliates, regardless of when such information is or was disclosed to Executive.

11. Restrictive Covenants. During Executive's employment with the Company and for a period of one (1) year after the termination of that employment, Executive agrees to not, directly or indirectly, other than on the Company's behalf:

(a) Engage or participate, in any country in the world in which the Company does business or has begun to formulate a plan to do business during the term of Executive's employment with the Company, as an owner, partner, member, shareholder,

independent contractor, employee, consultant, agent, advisor or (without limitation by the specific enumeration of the foregoing) otherwise in any business involving a Competitive Business Activity (as defined below), provided that nothing in this Section 11 shall prevent Executive from owning less than five percent (5%) of any class of publicly traded securities of any such business so long as such investment is passive and Executive has no other involvement with the issuer of such securities. For purposes of this Agreement, "Competitive Business Activity" means the design, engineering, manufacture or sale of heat tracing systems (for example, products involving the application of external heat to pipes, vessels, instruments or other equipment for the purposes of freeze protection, process temperature maintenance, environmental monitoring or surface snow and ice melting, heat tracing equipment, heat tracing tubing bundles, and heat tracing control systems), heat tracing system consultation, heat tracing system installation, and heat tracing system maintenance;

(b) Solicit any customer or potential customer of the Company or any of its affiliates that Executive had contact with during the term of his employment with respect to the sale or provision of any Competitive Business Activity that the Company or its affiliates manufactured, sold, or was in the process of developing during Executive's employment with the Company. For purposes of this subsection 11(b), (i) a customer means any Person to which the Company or any of its affiliates sold products or rendered services within the 24 month period immediately preceding Executive's employment termination date, and (ii) potential customer means any Person to which the Company or any of its affiliates solicited (or had active plans to solicit) within the 12

month period that immediately preceded Executive's employment termination date; or

(c) Induce or assist in the inducement of any individual or independent contractor (including sales representatives or agents) to terminate or otherwise limit their relationship with the Company or any of its affiliates.

The period of time in which Executive is required to act, or refrain from acting, pursuant to this Section 11 shall be tolled (shall not run) for so long as Executive is in breach of any of Executive's obligations thereunder.

12. Non-Disparagement. At no time shall Executive, directly or indirectly, ever make (or cause to be made) any disparaging, derogatory or other negative or false statement regarding the Company, its affiliates, their products, services, practices, policies, operations, owners, directors, officers, partners, employees, sales representatives, or agents. The Company shall direct the members of its Board of Directors and its senior executives to not make (or cause to be made) at any time, directly or indirectly, any disparaging, derogatory or other negative or false statement regarding Executive.

13. Injunctive Relief. Executive acknowledges and agrees that the covenants contained in Sections 9 - 12 above are reasonable in scope and duration, do not unduly restrict Executive's ability to engage in Executive's livelihood, and are necessary to protect the Company's legitimate business interests (including without limitation, the protection of its confidential and proprietary information). Without limiting the rights of the Company to pursue any other legal and/or equitable remedies available to it for any breach by Executive of the

covenants contained in Sections 9 - 12 above, Executive acknowledges that a breach of those covenants would cause a loss to the Company for which it could not reasonably or adequately be compensated by damages in an action at law, that remedies other than injunctive relief could not fully compensate the Company for a breach of those covenants and that, accordingly, the Company shall be entitled to injunctive relief (without the requirement of posting a bond or other security) to prevent any breach or continuing breaches of Executive's covenants as set forth in Sections 9 - 12 above. It is the intention of the parties that if, in any action before any court empowered to enforce such covenants, any term, restriction, covenant, or promise is found to be unenforceable, then such term, restriction, covenant, or promise shall be deemed modified to the extent necessary to make it enforceable by such court to the fullest extent possible. If any provision of this Agreement (including without limitation Sections 9 - 12) is held invalid or unenforceable for any reason (after any such modification or limitation pursuant to the preceding sentence, as applicable), such provision will be ineffective only to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or the remaining provisions of this Agreement.

14. The Company's Disclosure to Executive's Prospective or Subsequent Employers. Executive expressly authorizes the Company to disclose this Agreement, any provision hereof, or any other policy or agreement between the Company and Executive to Executive's prospective or subsequent employers.

15. Mandatory Mediation. Other than disputes involving the covenants and obligations set forth in Sections 9 - 12 above which may be directly filed in a court of competent jurisdiction, Executive and the Company agree that all other disputes and claims of any nature that Executive may have against the Company including all statutory, contractual, and common law claims (including all employment discrimination claims), and all other disputes and claims of any nature that the Company may have against Executive, will be submitted exclusively first to mandatory mediation in a mutually agreed-upon location, under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association or under such other rules or under the auspices of such other organization as the parties may mutually agree. All information regarding the dispute or claim or mediation proceedings, including any mediation settlement, shall not be disclosed by Executive, the Company, or any mediator to any third party without the written consent of the Company's Chairman of the Board of Directors and Executive.

16. Assignment. The services rendered by Executive to the Company are unique and personal. Accordingly, Executive may not assign any of the rights or delegate any of the duties or obligations under this Agreement. This Agreement is enforceable by the Company and its affiliates and may, upon written notice to Executive, be assigned or transferred by the Company to, and shall be binding upon and inure to the benefit of, any parent, subsidiary or other affiliate of the Company or any Person which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the assets, stock or business of the Company.

17. Notices. All notices hereunder shall be in writing and shall be delivered by hand, by facsimile (or photo or other electronic means), by local messenger or by reputable overnight courier. Notices shall be deemed given: (1) when received, if delivered by hand or local messenger; (2) when sent, if sent by facsimile, photo or other electronic means during the

recipient's normal business hours; (3) on the first business day after being sent, if sent by facsimile, photo or other electronic means other than during the recipient's normal business hours; and (4) one business day after being delivered to a reputable overnight courier for next day delivery. A notice delivered by facsimile, photo or other electronic means shall only be effective on the date set forth above, however, if the notice is also given by hand, local messenger or courier no later than two business days after its delivery by facsimile, photo or other electronic means. All notices shall be addressed as follows: (1) **if to the Company**: Thermon Holding Corp., 100 Thermon Drive, San Marcos, Texas 78667, fax: (512) 396-3627, attention: Rodney Bingham, Chief Executive Officer; with copies (which shall not constitute notice) to CHS Private Equity V LP, 10 South Wacker Drive, Suite 3175, Chicago, Illinois 60606, Attention: Daniel J. Hennessy and Marcus J. George, Fax: (312) 876-3854; and Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, fax: (312)

853-7036, attention: Roger R. Wilen and Jeffrey Smith; (2) **if to Executive**: Jay Peterson, to the home address last shown on the records of the Company; or (in each case) to such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 17.

18. Waiver. The Company's waiver of a breach by Executive of any provision of this Agreement or failure to enforce any such provision with respect to Executive shall not operate or be construed as a waiver of any subsequent breach by Executive of any such provision or of any other provision or of the Company's right to enforce any such provision or any other provision with respect to Executive. No act or omission of the Company shall constitute a waiver of any of its rights hereunder except for a written waiver signed by the Company's Chairman of the Board of Directors.

19. Governing Law. This Agreement shall in all respects be governed by the substantive laws of the State of Texas without regard to its or any other state's conflict of law rules.

20. Amendment. The terms of this Agreement may be modified only by a writing signed by both Executive and the Company's Chairman of the Board of Directors.

21. Post-Employment Effectiveness. Executive expressly acknowledges that Sections 9 - 25 of this Agreement remain in effect after the termination of Executive's employment with Company.

22. Section 409A. This Agreement is intended to comply with the requirements of Section 409A of the Code, and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and for purposes of the separation pay exemption, each installment paid to Executive under this Agreement shall be considered a separate payment. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code ("409A Penalties"), the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible; provided that in no event shall the Company be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent

any amounts under this Agreement are payable by reference to Executive's "termination of employment" such term and similar terms shall be deemed to refer to Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a "specified employee," as defined in Section 409A of the Code, as of the date of Executive's separation from service, then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive's separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Executive's separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive's death. In addition, each payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, which is conditioned upon Executive's execution of a release and which is to be paid during a designated period that begins in a first taxable year and ends in a second taxable year shall be paid in the second taxable year. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement during a calendar year shall not affect the amount of expenses eligible for reimbursement during any other calendar year. The right to any reimbursement pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

23. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the matters described herein, and supersedes any and all prior and/or contemporaneous agreements and understandings, oral or written, between the parties, including, without limitation, the Offer Letter.

24. Counterparts; Facsimiles. This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. A facsimile, photo or other electronic copy of this Agreement (or any counterpart hereof) shall be deemed to be an original.

25. Construction. The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement shall not be construed strictly against the drafter (and any rule of construction to that effect shall not be applied).

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EXECUTIVE AND THE COMPANY EACH REPRESENT AND WARRANT THAT EACH HAS READ THIS AGREEMENT, EACH UNDERSTANDS ITS TERMS, AND EACH AGREES TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first above written.

JAY PETERSON	**THERMON HOLDING CORP.**
/s/ Jay Peterson	By: /s/ Rodney Bingham Name: Rodney Bingham Its: President and Chief Executive Officer

Peterson Employment Agreement

Exhibit 10.18

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT ("Agreement") is effective as of April 1, 2011, between Johannes van der Salm ("Executive") and Thermon Holding Corp., a Delaware corporation (the "Company").

WHEREAS, the parties desire to enter into this Agreement to provide Executive with appropriate total compensation and performance-based incentives, and to retain Executive as an employee of the Company.

NOW, THEREFORE, in consideration for the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which both parties expressly acknowledge, Executive and the Company agree as follows:

1. Employment. Company hereby employs Executive as its Senior Vice President, Global Manufacturing, and Executive agrees to remain so employed, upon the terms and conditions stated herein. Executive's employment will be "at-will," without a fixed term, and may be terminated by the Company or by Executive at any time, with or without notice, for any reason or no reason (and no reason need be given), and, except as expressly provided in this Agreement, without obligation of severance or additional compensation.

2. Duties and Responsibilities. Executive shall perform such duties as are reasonably assigned to Executive by the Company's Chief Executive Officer to whom Executive will report and shall be accountable. Such duties will include those duties and responsibilities traditionally provided by a Senior Vice President responsible for the global manufacturing and logistics of a company, and may involve Company affiliates. Executive shall faithfully, diligently, and competently perform such services to the reasonable satisfaction of the Company's Chief Executive Officer, and Executive shall devote his full time and best efforts, skill, and attention to the diligent performance and discharge of such duties and responsibilities.

3. Exclusivity and Conflict of Interest. Executive's employment with the Company shall be exclusive. Accordingly, during Executive's employment with the Company, Executive shall not engage in any business activity other than on the Company's behalf without the express prior written approval of the Company's Board of Directors. It will not be a violation of this exclusivity provision for Executive to serve on charitable or civic boards or committees provided that such activity does not interfere with the performance of Executive's duties and responsibilities under this Agreement. Under no circumstance shall Executive engage in any activity that could create a conflict of interest between Executive and the Company or its affiliates.

4. Base Salary. For services rendered by Executive on the Company's behalf during Executive's employment, the Company will pay Executive a base salary ("Base Salary") at the annual rate of $190,000, less customary withholding. Base Salary may be changed periodically at the discretion of the Company's Board of Directors, but may not be reduced below $190,000. The Company will pay Executive's pro-rata Base Salary on the Company's regular paydays.

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5. Bonus. Executive shall be eligible to receive an annual performance-based bonus ("Annual Bonus"), with a target award of forty percent (40%) of Executive's Base Salary, based on the attainment of annual performance targets to be mutually agreed upon by Executive and the Board of Directors. The Annual Bonus shall be paid within two and one-half months following the end of the fiscal year in which such bonus was earned, provided that if by such time the determination of whether the Annual Bonus was earned (and the calculation of the amount thereof) is not complete, the Annual Bonus, if any, shall be paid as soon as practicable after such determination and calculation is complete, but in no event later than the last day of December in which the fiscal year end occurs. If Executive's employment is terminated by the Company for reasons other than Cause (as defined in Section 8(d) below) or Executive resigns due to a Change of Control or a Significant Diminution of Duties (as defined in Section 8(e) and 8(g) below), and, based on the results of operations and financial performance of the Company for the entire fiscal year, Executive would have been entitled to an Annual Bonus in respect of such fiscal year had Executive remained employed by the Company on the last day of such fiscal year, Executive shall be entitled to a pro-rata portion of the Annual Bonus (payable at the time set forth above) based upon the portion of the fiscal year during which Executive was employed (e.g., 9 months of employment = 75% of Annual Bonus).

6. Vacation and Other Employment Benefits. During Executive's employment with the Company, Executive shall be entitled to four (4) weeks (20 days) of personal time off per calendar year (pro-rated for partial years), taken at times mutually acceptable to Executive and the Company. In addition, Executive may participate in those other employee benefit plans that the Company may make generally available to its salaried employees provided that Executive otherwise meets the eligibility requirements of those plans.

7. Expense Reimbursement. Executive shall be entitled to reimbursement for ordinary, necessary and reasonable out-of-pocket business expenses which Executive incurs in connection with performing Executive's duties under this Agreement, including reasonable business travel and meal expenses. The reimbursement of all such expenses shall be made in accordance with the Company's customary practice and policies (including presentation of evidence reasonably satisfactory to the Company of the amounts and nature of such expenses).

8. Termination and Severance.

(a) Anything contained in this Agreement to the contrary notwithstanding, should the Company terminate Executive's employment other than for Cause:

(i) The Company shall pay Executive the Base Salary and any accrued employment benefit as required by applicable law, each pro-rated through Executive's employment termination date;

(ii) The Company shall pay Executive, in accordance with Section 5 above, any Annual Bonus earned from a prior year but not yet paid and any portion of the Annual Bonus from the fiscal year during which such termination occurs that is payable pursuant to Section 5 above, each payable in accordance with Section 5;

(iii) The Company shall pay Executive for any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 7 above; and

(iv) Provided that Executive (A) Executive delivers to the Company within sixty days following Executive's termination of employment a release of claims in form and substance satisfactory to the Company's Board of Directors, and (B) does not otherwise violate this Agreement, the Company will continue to pay Executive his annual Base Salary in equal installments in accordance with the Company's normal payroll practices for a period of twelve months following Executive's termination of employment. Executive shall not be entitled to any benefits under this Section 8(a)(iv), (Y) if, at the time Executive's employment with the Company was terminated, grounds existed for the termination of Executive's employment for Cause; and (Z) to the extent Executive receives any compensation paid by any Person with respect to any services performed by Executive during the twelve month period immediately following Executive's termination of employment.

(b) Should Executive's employment with the Company terminate for any reason not specified in Section 8(a) above, the Company shall only pay (i) Executive's Base Salary and any accrued employment benefit as required by applicable law (such accrued benefit, for clarity, not to include any Annual Bonus), each pro-rated through Executive's employment termination date, and (ii) any unreimbursed business expenses incurred by Executive through Executive's last day of employment pursuant to Section 7 above and shall have no other obligations with regard to the payment of compensation, severance, bonus or other amounts to Executive or Executive's estate.

(c) On or before the employment termination date, Executive shall return to the Company all of its and its affiliates' property including all of the Company's documents, keys, credit cards, computer software, and all copies thereof.

(d) For purposes of this Agreement, "Cause" means any of the following, as reasonably determined by the Company's Board of Directors and includes: (i) the commission by Executive of a felony (or a crime involving moral turpitude); (ii) the theft, conversion, embezzlement or misappropriation by Executive of funds or other assets of the Company or any of its affiliates or any other act of fraud or dishonesty with respect to the Company or any of its affiliates (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) intentional, grossly negligent, or unlawful misconduct by Executive which causes harm or embarrassment to the Company or any of its affiliates or exposes the Company or any of its affiliates to a substantial risk of harm or embarrassment; (iv) the violation by Executive of any law regarding employment discrimination or sexual harassment; (v) the failure by Executive to comply with any material policy generally applicable to Company employees, which failure is not cured within 30 days after notice to Executive; (vi) the repeated failure by Executive to follow

the reasonable directives of the Chief Executive Officer or the Company's Board of Directors, which failure is not cured within 30 days after notice to Executive; (vii) the unauthorized dissemination by Executive of confidential information in violation of Section 10 of this Agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Executive (including Executive's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Executive; (ix) the Company's discovery that, prior to Executive's employment with the Company, Executive engaged in conduct of the type described in clauses (i) through (iv) above; or (x) any other material breach by Executive of this Agreement that is not cured within 30 days after notice to Executive.

(e) For purposes of this Agreement, "Change of Control" means the sale (in a single transaction or a series of related transactions) of Thermon Group Holdings, Inc., a Delaware corporation ("Parent"), to any Person (other than CHS Private Equity V LP, a Delaware limited partnership, or its affiliate) pursuant to which such Person acquires (i) all or substantially all of the assets of Parent and all of its wholly-owned subsidiaries (including the Company), determined on a consolidated basis, or (ii) a majority of the then outstanding shares of Parent's common stock (whether by merger, consolidation, sale or transfer of shares, reorganization, recapitalization or otherwise); provided that Executive must notify the Company by written notice of his intention to terminate his employment after a Change of Control; and provided, further, that such notice shall be provided to the Company within one hundred and eighty (180) days of the Change of Control.

(f) For purposes of this Agreement, "Person" means any individual, partnership, corporation, limited liability company, association, joint stock company, trust, joint venture or unincorporated organization.

(g) For purposes of this Agreement, "Significant Diminution of Duties" means the assignment to Executive of any duties or responsibilities materially inconsistent with Executive's position and title, or a material reduction in Executive's

responsibilities and authority, except in connection with the termination of Employee's employment for Cause, disability or death; provided that Executive must notify the Company by written notice of his intention to terminate his employment for a Significant Diminution of Duties; and provided, further, that such notice shall be provided to the Company within thirty (30) days of the initial existence of the action constituting a Significant Diminution of Duties, and the Company shall have thirty (30) days to cure such action that created the Significant Diminution of Duties after receipt of such notice, it being understood that if the Company so cures such action, no Significant Diminution of Duties shall be deemed to have existed.

9. Patents, Copyrights, Trademarks, and Other Property Rights. Any and all inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, and computer software relating to the Company's or its affiliates' business (whether or not patentable), discovered, developed, or learned by Executive during his employment with the Company or used by the Company or its affiliates in the conduct of their respective businesses are the sole and absolute property of

Company and are "works made for hire" as that term is defined in the copyright laws of the United States. The Company is the sole and absolute owner of all patents, copyrights, trademarks, and other property rights to those items and Executive will fully assist the Company to obtain the patents, copyrights, trademarks, or other property rights to all such inventions, improvements, discoveries, formulas, technology, business strategies, management, administration, and accounting systems, processes, or computer software. Executive has been notified by the Company and understands that the foregoing provisions of this Section 9 do not apply to an invention for which no equipment, supplies, facilities, confidential, proprietary, or trade secret information of the Company or its affiliates was used and which was developed entirely on Executive's own time, unless the invention: (a) relates to the business of the Company or its affiliates or to their actual or demonstrably anticipated research and development, or (b) results from any work performed by Executive for the Company or its affiliates.

10. Non-Disclosure and Use of Confidential and Proprietary Information. The Company's employment of Executive has resulted and will result in Executive's exposure and access to confidential and proprietary information, to which the Company agrees to continue to provide Executive after this Agreement becomes effective, that includes (among other things) the Company's and its affiliates' formulas, processes, administration and accounting systems, computer software, customer lists, vendor lists, due diligence files, financial information, technology, business strategies, business track record, and personal information about the Company's and its affiliates' owners, directors, officers, and employees, which information is of great value to the Company, its affiliates, their owners, Directors, officers, and employees. Executive shall not, other than on the Company's behalf, at any time during Executive's employment with the Company and thereafter, make available, divulge, disclose, or communicate in any manner whatsoever to any Person any such confidential or proprietary information, or use any such confidential or proprietary information for any purpose other than on the Company's behalf, unless authorized to do so in writing by Company's Chairman of the Board of Directors, required by law or court order, or such information has become publicly available other than by reason of a breach by Executive of this Section 10 or of another Person's violation of an obligation not to disclose such information. Should Executive be required by law or court order to disclose such confidential or proprietary information, Executive shall give the Company's Chairman of the Board of Directors reasonable notice so as to allow the Company sufficient opportunity to challenge such application of the law or court order, or to otherwise attempt to limit the scope of such disclosure. This Agreement applies to all confidential and proprietary information of the Company and its affiliates, regardless of when such information is or was disclosed to Executive.

11. Restrictive Covenants. During Executive's employment with the Company and for a period of one (1) year after the termination of that employment, Executive agrees to not, directly or indirectly, other than on the Company's behalf:

(a) Engage or participate, in any country in the world in which the Company does business or has begun to formulate a plan to do business during the term of Executive's employment with the Company, as an owner, partner, member, shareholder, independent contractor, employee, consultant, agent, advisor or (without limitation by the specific enumeration of the foregoing) otherwise in any business involving a Competitive

Business Activity (as defined below), provided that nothing in this Section 11 shall prevent Executive from owning less than five percent (5%) of any class of publicly traded securities of any such business so long as such investment is passive and Executive has no other involvement with the issuer of such securities. For purposes of this Agreement, "Competitive Business Activity" means the design, engineering, manufacture or sale of heat tracing systems (for example, products involving the application of external heat to pipes, vessels, instruments or other equipment for the purposes of freeze protection, process temperature maintenance, environmental monitoring or surface snow and ice melting, heat tracing equipment, heat tracing tubing bundles, and heat tracing control systems), heat tracing system consultation, heat tracing system installation, and heat tracing system maintenance;

(b) Solicit any customer or potential customer of the Company or any of its affiliates that Executive had contact with during the term of his employment with respect to the sale or provision of any Competitive Business Activity that the Company or its affiliates manufactured, sold, or was in the process of developing during Executive's employment with the Company. For purposes of this subsection 11(b), (i) a customer means any Person to which the Company or any of its affiliates sold products or rendered services within the 24 month period immediately preceding Executive's employment termination date, and (ii) potential customer means any Person to which the Company or any of its affiliates solicited (or had active plans to solicit) within the 12 month period that immediately preceded Executive's employment termination date; or

(c) Induce or assist in the inducement of any individual or independent contractor (including sales representatives or agents) to terminate or otherwise limit their relationship with the Company or any of its affiliates.

The period of time in which Executive is required to act, or refrain from acting, pursuant to this Section 11 shall be tolled (shall not run) for so long as Executive is in breach of any of Executive's obligations thereunder.

12. Non-Disparagement. At no time shall Executive, directly or indirectly, ever make (or cause to be made) any disparaging, derogatory or other negative or false statement regarding the Company, its affiliates, their products, services, practices, policies, operations, owners, directors, officers, partners, employees, sales representatives, or agents. The Company shall direct the members of its Board of Directors and its senior executives to not make (or cause to be made) at any time, directly or indirectly, any disparaging, derogatory or other negative or false statement regarding Executive.

13. Injunctive Relief. Executive acknowledges and agrees that the covenants contained in Sections 9 - 12 above are reasonable in scope and duration, do not unduly restrict Executive's ability to engage in Executive's livelihood, and are necessary to protect the Company's legitimate business interests (including without limitation, the protection of its confidential and proprietary information). Without limiting the rights of the Company to pursue any other legal and/or equitable remedies available to it for any breach by Executive of the covenants contained in Sections 9 - 12 above, Executive acknowledges that a breach of those covenants would cause a loss to the Company for which it could not reasonably or adequately be

compensated by damages in an action at law, that remedies other than injunctive relief could not fully compensate the Company for a breach of those covenants and that, accordingly, the Company shall be entitled to injunctive relief (without the requirement of posting a bond or other security) to prevent any breach or continuing breaches of Executive's covenants as set forth in Sections 9 - 12 above. It is the intention of the parties that if, in any action before any court empowered to enforce such covenants, any term, restriction, covenant, or promise is found to be unenforceable, then such term, restriction, covenant, or promise shall be deemed modified to the extent necessary to make it enforceable by such court to the fullest extent possible. If any provision of this Agreement (including without limitation Sections 9 - 12) is held invalid or unenforceable for any reason (after any such modification or limitation pursuant to the preceding sentence, as applicable), such provision will be ineffective only to the extent of such invalidity or unenforceability without invalidating the remainder of such provision or the remaining provisions of this Agreement.

14. The Company's Disclosure to Executive's Prospective or Subsequent Employers. Executive expressly authorizes the Company to disclose this Agreement, any provision hereof, or any other policy or agreement between the Company and Executive to Executive's prospective or subsequent employers.

15. Mandatory Mediation. Other than disputes involving the covenants and obligations set forth in Sections 9 - 12 above which may be directly filed in a court of competent jurisdiction, Executive and the Company agree that all other disputes and claims of any nature that Executive may have against the Company including all statutory, contractual, and common law claims (including all employment discrimination claims), and all other disputes and claims of any nature that the Company may have against Executive, will be submitted exclusively first to mandatory mediation in a mutually agreed-upon location, under the National Rules for the Resolution of Employment Disputes of the American Arbitration Association or under such other rules or under the auspices of such other organization as the parties may mutually agree. All information regarding the dispute or claim or mediation proceedings, including any mediation settlement, shall not be disclosed by Executive, the Company, or any mediator to any third party without the written consent of the Company's Chairman of the Board of Directors and Executive.

16. Assignment. The services rendered by Executive to the Company are unique and personal. Accordingly, Executive may not assign any of the rights or delegate any of the duties or obligations under this Agreement. This Agreement is enforceable by the Company and its affiliates and may, upon written notice to Executive, be assigned or transferred by the Company to, and shall be binding upon and inure to the benefit of, any parent, subsidiary or other affiliate of the Company or any Person which at any time, whether by merger, purchase, or otherwise, acquires all or substantially all of the assets, stock or business of the Company.

17. Notices. All notices hereunder shall be in writing and shall be delivered by hand, by facsimile (or photo or other electronic means), by local messenger or by reputable overnight courier. Notices shall be deemed given: (1) when received, if delivered by hand or local messenger; (2) when sent, if sent by facsimile, photo or other electronic means during the recipient's normal business hours; (3) on the first business day after being sent, if sent by facsimile, photo or other electronic means other than during the recipient's normal business

hours; and (4) one business day after being delivered to a reputable overnight courier for next day delivery. A notice delivered by facsimile, photo or other electronic means shall only be effective on the date set forth above, however, if the notice is also given by hand, local messenger or courier no later than two business days after its delivery by facsimile, photo or other electronic means. All notices shall be addressed as follows: (1) **if to the Company**: Thermon Holding Corp., 100 Thermon Drive, San Marcos, Texas 78667, fax: (512) 396-3627, attention: Rodney Bingham, Chief Executive Officer; with copies (which shall not constitute notice) to CHS Private Equity V LP, 10 South Wacker Drive, Suite 3175, Chicago, Illinois 60606, Attention: Daniel J. Hennessy and Marcus J. George, Fax: (312) 876-3854; and Sidley Austin LLP, One South Dearborn, Chicago, Illinois 60603, fax: (312) 853-7036, attention: Roger R. Wilen and Jeffrey Smith; (2) **if to Executive**: Johannes van der Salm, to the home address last shown on the records of the Company; or (in each case) to

such other addresses or addressees as may be designated by notice given in accordance with the provisions of this Section 17.

18. **Waiver.** The Company's waiver of a breach by Executive of any provision of this Agreement or failure to enforce any such provision with respect to Executive shall not operate or be construed as a waiver of any subsequent breach by Executive of any such provision or of any other provision or of the Company's right to enforce any such provision or any other provision with respect to Executive. No act or omission of the Company shall constitute a waiver of any of its rights hereunder except for a written waiver signed by the Company's Chairman of the Board of Directors.

19. **Governing Law.** This Agreement shall in all respects be governed by the substantive laws of the State of Texas without regard to its or any other state's conflict of law rules.

20. **Amendment.** The terms of this Agreement may be modified only by a writing signed by both Executive and the Company's Chairman of the Board of Directors.

21. **Post-Employment Effectiveness.** Executive expressly acknowledges that Sections 9 - 25 of this Agreement remain in effect after the termination of Executive's employment with Company.

22. **Section 409A.** This Agreement is intended to comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and shall be interpreted and construed consistently with such intent. The payments to Executive pursuant to this Agreement are also intended to be exempt from Section 409A of the Code to the maximum extent possible, under either the separation pay exemption pursuant to Treasury regulation §1.409A-1(b)(9)(iii) or as short-term deferrals pursuant to Treasury regulation §1.409A-1(b)(4), and for purposes of the separation pay exemption, each installment paid to Executive under this Agreement shall be considered a separate payment. In the event the terms of this Agreement would subject Executive to taxes or penalties under Section 409A of the Code ("409A Penalties"), the Company and Executive shall cooperate diligently to amend the terms of the Agreement to avoid such 409A Penalties, to the extent possible; provided that in no event shall the Company be responsible for any 409A Penalties that arise in connection with any amounts payable under this Agreement. To the extent any amounts under this Agreement are payable by reference to Executive's "termination of employment" such term and similar terms shall be

deemed to refer to Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in this Agreement, if Executive is a "specified employee," as defined in Section 409A of the Code, as of the date of Executive's separation from service, then to the extent any amount payable under this Agreement (i) constitutes the payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, (ii) is payable upon Executive's separation from service and (iii) under the terms of this Agreement would be payable prior to the six-month anniversary of Executive's separation from service, such payment shall be delayed until the earlier to occur of (a) the six-month anniversary of the separation from service or (b) the date of Executive's death. In addition, each payment of nonqualified deferred compensation, within the meaning of Section 409A of the Code, which is conditioned upon Executive's execution of a release and which is to be paid during a designated period that begins in a first taxable year and ends in a second taxable year shall be paid in the second taxable year. Any reimbursement payable to Executive pursuant to this Agreement shall be conditioned on the submission by Executive of all expense reports reasonably required by the Company under any applicable expense reimbursement policy, and shall be paid to Executive within 30 days following receipt of such expense reports, but in no event later than the last day of the calendar year following the calendar year in which Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement during a calendar year shall not affect the amount of expenses eligible for reimbursement during any other calendar year. The right to any reimbursement pursuant to this Agreement shall not be subject to liquidation or exchange for any other benefit.

23. **Entire Agreement.** This Agreement constitutes the entire agreement and understanding of the parties hereto with respect to the matters described herein, and supersedes any and all prior and/or contemporaneous agreements and understandings, oral or written, between the parties, including, without limitation, the Offer Letter.

24. **Counterparts; Facsimiles.** This Agreement may be executed in separate counterparts, each of which is deemed to be an original and all of which taken together constitute one agreement. A facsimile, photo or other electronic copy of this Agreement (or any counterpart hereof) shall be deemed to be an original.

25. **Construction.** The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning or interpretation of this Agreement. This Agreement shall not be construed strictly against the drafter (and any rule of construction to that effect shall not be applied).

* * * * * * *

EXECUTIVE AND THE COMPANY EACH REPRESENT AND WARRANT THAT EACH HAS READ THIS AGREEMENT, EACH UNDERSTANDS ITS TERMS, AND EACH AGREES TO BE BOUND THEREBY.

IN WITNESS WHEREOF, the parties have executed this Employment Agreement as of the date first above written.

JOHANNES VAN DER SALM **THERMON HOLDING CORP.**

/s/ Johannes van der Salm	By:	/s/ Rodney Bingham
	Name:	Rodney Bingham
	Its:	President and Chief Executive Officer

Exhibit 10.25

AMENDMENT NO. 1

TO THE

MANAGER EQUITY AGREEMENT

THIS AMENDMENT NO. 1 (this "Amendment") TO THE MANAGER EQUITY AGREEMENT (the "Agreement") is made as of , 2011, among the individual listed on the signature page hereto, a resident of the State listed below such individual's signature ("Manager"), Thermon Group Holdings, Inc., a Delaware corporation (the "Company"), and CHS Private Equity V LP, a Delaware limited partnership (the "Fund"). Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Agreement.

WHEREAS, the Company is currently taking certain preliminary actions to sell its Shares to the public in an initial public offering (the "IPO"), including the filing of a Registration Statement on Form S-1 under the Securities Act of 1933, as amended, with the Securities and Exchange Commission; and

WHEREAS, the Company, the Fund and Manager desire to amend the call option provisions of the Agreement in connection with the IPO.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained and other consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Notwithstanding anything contained in this Amendment to the contrary, this Amendment shall automatically and without any further action by the parties hereto become effective upon consummation of the IPO. Prior to the consummation of the IPO, this Amendment shall have no force or effect.

2. The definition of "Cause" set forth in Section 1 of the Agreement is hereby amended and restated in its entirety to read as follows:

"Cause" means any of the following, as reasonably determined, in good faith, by the Board: (i) the prosecution via information or indictment, or, if Manager has waived any requirement of prosecution by indictment, the charge, of Manager for a felony; (ii) the theft, conversion, embezzlement or misappropriation by Manager of funds or other assets of the Company Group or any other act of fraud or dishonesty with respect to the Company Group (including acceptance of any bribes or kickbacks or other acts of self-dealing); (iii) the intentional, grossly negligent or unlawful misconduct by Manager, but only to the extent that such actions or inactions (a) actually cause material and significant harm to the Company Group; and (b) were engaged in by the Manager with knowledge that they would cause material and significant harm to the Company Group; (iv) the violation by Manager of any law regarding employment discrimination or sexual harassment; (v) the failure by Manager to comply with any material policy generally applicable to Company Group employees, which failure is not cured in all material respects within 30 days after notice to Manager; (vi) the repeated failure by Manager to

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follow the reasonable directives of any supervisor or the Board, which failure is not cured in all material respects within 30 days after notice to Manager; (vii) the unauthorized dissemination by Manager of confidential information in violation of Section 4(b) of this Agreement; (viii) any material misrepresentation or materially misleading omission in any resume or other information regarding Manager (including Manager's work experience, academic credentials, professional affiliations or absence of criminal record) provided by or on behalf of Manager when applying for employment with the Company Group; (ix) the Company's discovery that, prior to Manager's employment with the Company Group, Manager engaged in conduct of the type described in clauses (i) through (iv) above (it being understood that, in the case of clause (iii) above, such harm having impacted Manager's prior employer or the Company Group); or (x) any other material breach by Manager of this Agreement that is not cured within 30 days after notice to Manager.

3. Section 3 of the Agreement is hereby amended and restated in its entirety to read as follows:

3. Call Options

(a) Generally. If Manager's employment with the Company Group is terminated for Cause, then the Company has an option to purchase all or any portion of the Manager Securities (the "Repurchase Option"). In order to exercise this option, the Company must give written notice to Manager no later than 90 days after the later to occur of the date on which employment ends or, in the case of Manager Securities issued pursuant to the exercise of Share Equivalents after the employment ends, the date on which such Manager Securities are issued.

(b) Purchase Price. The purchase price for the Manager Securities purchased under Section 3(a) shall be the lower of the Fair Market Value or the Cost of those Manager Securities.

(c) Manner of Payment.

(i) The purchase price pursuant to this Section 3 shall be paid at the Closing by (A) delivery of a cashier's

check, cash or wire transfer of immediately available funds, (B) setoff against any and all obligations (but only to the extent of such obligations) owing the Company Group from Manager, or (C) delivery of an unsecured junior subordinated promissory note in the form attached hereto as **Exhibit A** (the "Repurchase Note") with such additional terms (including subordination provisions) as may be required by any lender of the Company Group.

(ii) Notwithstanding the foregoing, if any payment (whether at Closing or pursuant to a Repurchase Note) would violate any loan agreement with a lender of the Company or its Subsidiaries or applicable law, then the price will be paid in a manner that does not violate the loan agreement or applicable law (including by the issuance of a Repurchase Note).

(d) The Closing. The closing for a purchase by the Company under this Section 3 (a "Closing") shall take place at a place, time and date specified by the Company in a written notice given to Manager at least three days before the Closing. The notice must specify a Closing date that is a business day not later than 90 days after Manager's employment ends or, in the case of Manager Securities issued pursuant to the exercise of Share Equivalents after the employment ends, the date on which such Manager Securities are issued. At the Closing, each Person selling securities must deliver to the Company (i) one or more certificates evidencing all of the securities being sold, duly endorsed for transfer or accompanied by an assignment separate from certificate (except for any security for which the issuer has never issued any certificate), (ii) customary written representations and warranties as to ownership, title (free and clear of all liens, claims and encumbrances), power and authority to sell, and the like, and (iii) any other documentation that the Company reasonably requests in connection with the purchase.

(e) Failure to Make Deliveries. Without limitation of any remedies, if for any reason a Person required to sell securities under this Section 3 does not make all required deliveries with respect to those securities (including instruments of assignment and any certificates) to the Company on the scheduled Closing date in accordance with the terms of this Agreement, then, as of that date: (i) those securities will be treated as if they had been sold to the Company, (ii) any certificates evidencing those securities that are issued in the name of the seller or the seller's predecessor in interest will be treated as being canceled, and (iii) the seller's only right, in connection with those securities, will be to receive the purchase price without interest.

(f) Remedies. The purchase rights in this Section 3 do not limit any remedies.

4. Except as modified above, all other terms and provisions of the Agreement (including Exhibit A (Form of Repurchase Note), a copy of which is attached to this Amendment for reference but is not being amended or modified hereby) shall remain in full force and effect in accordance with their terms.

5. This Amendment shall be binding upon and inure to the benefit of the Company, the Fund, Manager and their respective successors and assigns.

6. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. This Amendment may be executed and transmitted via facsimile or electronic transmission in PDF form.

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties execute this Amendment No. 1 to the Manager Equity Agreement as of the date first written above.

MANAGER

____
Name:
State of Residence:

THERMON GROUP HOLDINGS, INC.

By: ______________________________
Name:
Title:

CHS PRIVATE EQUITY V LP

By: CHS Management V LP, its general partner

By: CHS Capital LLC, its general partner

By: ____
Name:
Its:
Principal Place of Business: Illinois

[*Signature Page to Amendment to MEA*]

EXHIBIT A

THIS REPURCHASE NOTE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "ACT") AND MAY NOT SOLD UNLESS IT IS REGISTERED UNDER THE ACT OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

{Subordination legend — cross reference to subordination / intercreditor agreement — TO BE COMPLETED IF APPLICABLE}

REPURCHASE NOTE

[$] , 20

FOR VALUE RECEIVED, the undersigned , a Delaware (the "Maker"), hereby promises to pay to [ ] (the "Payee") the principal sum of [ ] ($), together with interest thereon at the rate and times set forth in this Note.

1. Principal Payments. The principal amount of this Note shall be due and payable in three (3) equal annual installments commencing on the first anniversary of the date hereof.

2. Interest. The unpaid principal hereunder shall bear interest at rate per annum equal to eight percent (8%), payable annually on each anniversary of the date of this Note. The amount of interest payable hereunder shall not, however, exceed the maximum amount of interest allowed by applicable law.

3. Prepayment. Maker shall have the right to prepay, in whole or in part, at any time or from time to time, without premium or penalty, the principal amount of this Note, together with accrued and unpaid interest thereon through the date of payment.

4. Miscellaneous. All payments hereunder shall be applied first to accrued and unpaid interest and thereafter to principal. Maker hereby waives any and all presentment (including presentment for payment or acceptance), demand, protest and notice (including notice of protest, dishonor or nonpayment) in connection with the enforcement of this Note. This Note is subject to the terms of the Manager Equity Agreement dated as of April 30, 2010, by and among Payee, Maker and CHS Private Equity V LP, including Section 3(c) thereof. This Note may not be assigned or transferred (including voluntarily, involuntarily or for collateral purposes) in any way without the prior written consent of the Maker. This Note shall be governed by the internal laws of the State of Delaware, without application of any conflict of law principle that would make the law of any other jurisdiction applicable. If any dispute regarding the enforcement of this Note is litigated, then the prevailing party in such litigation shall be entitled to be paid (by the non-prevailing party) all reasonable costs and expenses incurred by the prevailing party in such litigation, including reasonable attorneys fees. As used herein, the term "including" shall be deemed to be followed by the words "without limitation".

MAKER

By: ________________________________
Its: ________________________________

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Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption "Experts" and to the use of our reports dated November 22, 2010, except for Note 21, as for which the date is April 1, 2011, in Amendment No. 3 to the Registration Statement (Form S-1) and related Prospectus of Thermon Group Holdings, Inc.

/s/ Ernst & Young LLP

Austin, Texas
April 13, 2011

QuickLinks

Exhibit 23.1

QuickLinks -- Click here to rapidly navigate through this document

Exhibit 23.2

Consent of Independent Auditors

We consent to the reference to our firm under the caption "Experts" and to the use of our report dated October 28, 2010 with respect to the consolidated financial statements and schedules of Thermon Holdings, LLC included in the Registration Statement (Form S-1) and related Prospectus of Thermon Group Holdings, Inc. for the registration of shares of common stock of Thermon Group Holdings, Inc.

/s/ Meyers Norris Penny LLP

Calgary, Alberta
April 12, 2011

Chartered Accountants

QuickLinks

Exhibit 23.2

Consent of Independent Auditors

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Exhibit 23.3

Consent of Independent Auditors

We consent to the reference to our firm under the caption "Experts" and to the use of our reports dated 31 May, 2010, 21 May, 2009 and 27 May, 2008 with respect to the consolidated financial statements and schedules of Thermon Holdings, LLC included in the Registration Statement (Form S-1) and related Prospectus of Thermon Group Holdings, Inc. for the registration of shares of common stock of Thermon Group Holdings, Inc.

/s/ Bell Partners
Bell Partners
Chartered Accountants

/s/ TG Rees
TG Rees
Partner

Level 7, 468 St Kilda Road Melbourne, Victoria—AUSTRALIA
April 12, 2011

QuickLinks

Exhibit 23.3

Consent of Independent Auditors

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Exhibit 23.4

Consent of Independent Auditors

We consent to the reference to our firm under the caption "Experts" and to the use of our reports dated October 31, 2010 with respect to the consolidated financial statements and schedules of Thermon Holdings, LLC included in the Registration Statement (Form S-1) and related Prospectus of Thermon Group Holdings, Inc. for the registration of shares of common stock of Thermon Group Holdings, Inc.

/s/ SHANGHAI JIALIANG CPAS

Shanghai JiaLiang CPAs
Shanghai, People's Republic of China
April 12, 2011

QuickLinks

Exhibit 23.4

Consent of Independent Auditors

Exhibit 23.8

Consent of Director Nominee

Thermon Group Holdings, Inc. (the "Company") has filed a Registration Statement on Form S-1 (File No. 333-172007) with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), in connection with the initial public offering of shares of its common stock. In connection therewith, I hereby consent, pursuant to Rule 438 of the Securities Act, to being named and described as a nominee to the board of directors of the Company in such Registration Statement, any amendment to such Registration Statement or any subsequent Registration Statement on Form S-1 filed pursuant to Rule 462(b) under the Securities Act and to the filing or attachment of this consent with such Registration Statement and any amendment or supplement thereto.

/s/ Michael W. Press
Michael W. Press

April 11, 2011