

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): October 16, 2017

THERMON GROUP HOLDINGS, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-35159
(Commission
File Number)

27-2228185
(IRS Employer
Identification No.)

100 Thermon Drive
San Marcos, Texas
(Address of principal executive offices)

78666
(zip code)

Registrant's telephone number, including area code: **(512) 396-5801**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d(b))
 Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure.

On October 16, 2017, Thermon Group Holdings, Inc. (the "Company") pre-released selected preliminary financial results for the second fiscal quarter ended September 30, 2017. This selected financial information was made available in connection with the anticipated launch of its \$250 million senior secured term loan B facility syndication, as described below. The Company does not generally release preliminary financial results and does not expect to provide similar information on a going forward basis.

On October 3, 2017, Thermon Industries, Inc. ("TII"), a wholly-owned, indirect subsidiary of the Company, entered into an agreement with JPMorgan Chase Bank, N.A. ("JPMorgan") whereby JPMorgan committed to provide debt financing in connection with the Company's proposed acquisition of CCI Thermal Technologies Inc. (the "Acquisition") consisting of a \$250 million senior secured term loan B facility (the "Term Facility") and a senior secured revolving credit facility in an aggregate amount of \$60 million. The proceeds from the Term Facility will be used to consummate the Acquisition, to pay certain fees and expenses associated with the Acquisition and to refinance the Company's existing term loan facility.

The Company is furnishing a copy of the press release announcing the selected financial information as Exhibit 99.1, which is incorporated into this Item 7.01 by reference. The Company is also furnishing as Exhibit 99.2 certain information that will be provided in the lender presentation being provided to potential Term Facility lenders, which is incorporated into this Item 7.01 by reference.

The information set forth in this Item 7.01, including Exhibit 99.1 and Exhibit 99.2, is being furnished and shall not be deemed "filed" with the Securities and Exchange Commission for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended, or otherwise be subject to the liability of such Section. Such information shall not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, except to the extent that the Company expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description of Exhibit</u>
99.1	<u>Press Release Issued by Thermon on October 16, 2017.</u>
99.2	<u>Lender Presentation dated October 2017</u>

Exhibit Index

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THERMON PRE-ANNOUNCES SELECTED PRELIMINARY SECOND QUARTER FISCAL 2018 FINANCIAL RESULTS

Thermon Expects to Report Full Quarterly Financial Results on October 23, 2017

SAN MARCOS, Texas, October 16, 2017 -- Thermon Group Holdings, Inc. (NYSE:THR) (the "Company," "Thermon," "we" or "our") today announced selected preliminary unaudited financial results for the second fiscal quarter ended September 30, 2017 ("Q2 2018"). This announcement is being made in connection with the anticipated launch of Thermon's \$250 million senior secured term loan B facility syndication related to the Company's previously announced pending acquisition of CCI Thermal Technologies Inc. ("CCI") and certain related real estate assets.

Thermon expects Q2 2018 preliminary, unaudited financial results in the following ranges compared to the three months ended September 30, 2016 ("Q2 2017"):

- Revenue estimated between \$61.0 million and \$62.0 million; reflecting a decrease of between \$7.8 million and \$6.8 million versus \$68.8 million;
- Gross margin estimated between 49.6% and 50.5% compared to 42.0%, driving gross profit in the range of \$30.3 million and \$31.3 million, an increase of 4.8% to 8.3% from \$28.9 million;
- GAAP EPS estimated between \$0.13 and \$0.15 per fully diluted share; reflecting an increase of between 18.2% and 36.4% compared to \$0.11 per fully diluted share;
- Net income attributable to Thermon estimated between \$4.3 million and \$5.0 million compared to \$3.5 million;
- Adjusted EBITDA estimated between \$12.8 million and \$13.8 million; reflecting an increase of between 19.6% and 29.0% compared to \$10.7 million; and
- Backlog of \$121.1 million, a 41% increase versus \$85.7 million.

"Overall, we were pleased with the operating performance in Q2 2018. During the quarter, we saw continued improvement in gross margins, which were driven by strong MRO/UE margins in North America and better project management and field execution in Greenfield. We were also encouraged by the double-digit increase in the incoming order rate to \$72.6 million over prior year, particularly in the US, which drove backlog to a record level. First and foremost, we are focused on delivering strong financial results organically and building on that solid foundation with our inorganic growth initiatives," said Bruce Thames, President and Chief Executive Officer.

The preliminary unaudited financial results for Q2 2018 are based upon Thermon management's estimates and are subject to completion of the Company's financial closing procedures for the quarter ended September 30, 2017. As a result, the information in this release is preliminary and based upon information available to Thermon as of the date hereof. In connection with its quarterly financial closing procedures, the Company may identify items that would require adjustments to the preliminary financial results announced herein. The Company's financial results could be different than the results presented in this release and those differences may be material. The preliminary financial results have been prepared by, and are the responsibility of, Thermon's management.

Conference Call and Webcast Information

Thermon expects to release its full financial and operating results before the market opens on October 23, 2017. Thermon will also host a conference call to discuss Q2 2018 results at 10:00 a.m. (Central Time) on October 23, 2017, which will be simultaneously webcast on Thermon's Investor Relations website located at <http://ir.thermon.com>. Investment community professionals interested in participating in the question-and-answer session may access the call by dialing (877) 312-5421 from within the United States/Canada and (253) 237-1121 from outside of the United States/Canada. A replay of the webcast will be available on Thermon's Investor Relations website beginning two hours after the conclusion of the call.

About Thermon

Through its global network, Thermon provides highly engineered thermal solutions, known as heat tracing, and complementary products and services for process industries, including energy, chemical processing and power generation. Thermon's products provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature maintenance, environmental monitoring and surface snow and ice melting. Thermon is headquartered in San Marcos, Texas. For more information, please visit www.thermon.com.

Forward-Looking Statements

This release may include forward-looking statements within the meaning of the U.S. federal securities laws in addition to historical information. These forward-looking statements 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, the words "anticipate," "assume," "believe," "budget," "continue," "could," "should," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "will," "future" and similar terms and phrases are intended to identify forward-looking statements in this release. 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.

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 cyclicity in the markets we serve; (ii) future growth of energy and chemical processing capital investments; (iii) our ability to deliver existing orders within our backlog; (iv) our ability to bid and win new contracts; (v) competition from various other sources providing similar heat tracing products and services, or alternative technologies, to customers; (vi) changes in relevant currency exchange rates; (vii) potential liability related to our products as well as the delivery of products and services; (viii) our ability to comply with the complex and dynamic system of laws and regulations applicable to international operations; (ix) our ability to protect data and thwart potential cyber attacks; (x) a material disruption at any of our manufacturing facilities; (xi) our dependence on subcontractors and suppliers; (xii) our ability to obtain standby letters of credit, bank guarantees or performance bonds required to bid on or secure certain customer contracts; (xiii) our ability to attract and retain qualified management and employees, particularly in our overseas markets; (xiv) our ability to continue to generate sufficient cash flow to satisfy our liquidity needs; (xv) 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 (xvi) other factors discussed in more detail under the caption "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended March 31, 2017, filed with the Securities and Exchange Commission on May 30, 2017. Any one of these factors or a combination of these factors could materially affect our financial condition, results of operations and cash flows and could influence whether any forward-looking statements contained in this release ultimately prove to be accurate.

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.

Non-GAAP Financial Measures

Disclosure in this release of "Adjusted EBITDA," which is a "non-GAAP financial measures" as defined under the rules of the Securities and Exchange Commission (the "SEC"), is intended as a supplemental measure of our financial performance that is not required by, or presented in accordance with, U.S. generally accepted accounting principles ("GAAP"). "Adjusted EBITDA" represents net income attributable to Thermon before interest expense (net of interest income), income tax expense, depreciation and amortization expense, stock-based compensation expense, income attributable to non-controlling interests and CCI acquisition related fees and expenses. We believe this non-GAAP financial measure is meaningful to our investors to enhance their understanding of our financial performance and is frequently used by securities analysts, investors and other interested parties to compare our performance with the performance of other companies that report Adjusted EBITDA. It should be considered in addition to, not as a substitute for net income 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. For a description of how Adjusted EBITDA is calculated and a reconciliation to the corresponding GAAP measure, see the table at the end of this release.

CONTACT:

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(512) 396-5801
Investor.Relations@thermon.com

Thermon Group Holdings, Inc. and Subsidiaries
Reconciliation of Net Income attributable to Thermon to Adjusted EBITDA
(Unaudited, in Millions)

	Three Months Ended			
	September 30, 2017		September 30, 2016	
	ESTIMATED RANGE			
Net income attributable to Thermon	\$ 4.3	\$ 5.0	\$ 3.5	\$ 3.5
Interest expense, net	0.5	0.5	0.8	0.8
Income tax expense	1.6	1.8	0.8	0.8
Depreciation and amortization expense	4.9	4.9	4.5	4.5
EBITDA (non-GAAP basis)	\$ 11.3	\$ 12.2	\$ 9.6	\$ 9.6
Stock compensation expense	0.9	0.9	0.9	0.9
Non controlling interests	0.3	0.3	0.2	0.2
CCI acquisition related expenses	0.3	0.4	—	—
Adjusted EBITDA (non-GAAP basis)	\$ 12.8	\$ 13.8	\$ 10.7	\$ 10.7



Thermon Group Holdings Public-Side Lenders' Presentation

October 11, 2017



Disclaimer



Certain statements in this presentation and responses to various questions may constitute forward-looking statements within the meaning of the U.S. federal securities laws. These forward-looking statements include, without limitation, statements regarding Thermon Group Holdings, Inc.'s (the "Company," "Thermon," "we," "our" or "us") 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, the words "anticipate," "assume," "believe," "budget," "continue," "could," "estimate," "expect," "intend," "may," "plan," "potential," "predict," "project," "forecast," "will," "future" and similar terms and phrases are intended to identify forward-looking statements. 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. Our forward-looking statements are based on management's knowledge and reasonable expectations on the date hereof and are not guarantees of future performance. Actual results and future performance may differ materially from those suggested in any forward-looking statements due to a variety of factors, including those described under the caption "Risk Factors" in our Annual Report on Form 10-K filed with the Securities and Exchange Commission on or about May 31, 2017. We do not intend to update these statements unless we are required to do so under applicable securities laws.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the products or services of the Company.

The information and opinions contained in this document are provided as at the date of this presentation and are subject to change without notice. This document has not been approved by any competent regulatory or supervisory authority.

Presenters



Bruce Thames

President and Chief Executive Officer



Jay Peterson

Chief Financial Officer, Senior Vice President – Finance



Jim Pribble

Senior Vice President – Corporate Development

Agenda



- Transaction Overview
- Company and Industry Overview
- Key Credit Highlights
- Historical Financial Performance
- Appendix

Executive Summary



Thermon will combine with CCI Thermal, creating the world's leader in industrial process heating

- 1 Thermon Group Holdings, Inc. ("Thermon", "THR" or the "Company"), headquartered in San Marcos, TX and publicly traded on the NYSE (NYSE: THR), engineers and manufactures engineered industrial process heating solutions
 - The Company's products provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature maintenance, environmental monitoring and surface snow and ice melting
- 2 Thermon signed a definitive agreement on October 4, 2017 to acquire 100% of CCI Thermal Technologies Inc. ("CCI Thermal" or the "Target"), an Edmonton, AB based privately held company
 - CCI Thermal provides an assortment of market-leading brands in the process heating space where Thermon does not currently play. While the business currently derives 95% of its revenue from Canada and the U.S., CCI Thermal has obtained many global certifications (including EAC) – preparing the Target for sales in foreign markets
 - The all-cash purchase price will be CAD\$258 million (USD\$206 million based on USD/CAD exchange rate of 1.25 as of 10/10/2017), which represents an 11.2x purchase multiple based on Target LTM August 2017 adjusted EBITDA of CAD\$23 million (USD\$18 million)
 - This translates to an 8.8x purchase multiple based on CCI's forward 2018 budgeted adj. EBITDA of CAD\$29 for the period ending July 2018 (USD\$23)
- 3 Thermon believes it will realize approximately USD\$2 million of cost synergies. Further, the Company should realize considerable revenue synergies through solution-selling and expanding CCI Thermal's footprint into new geographies where Thermon has a dedicated presence
- 4 Pro forma total net leverage will be 3.4x based on USD\$61 million pro forma adjusted EBITDA



Transaction Overview

Transaction Summary



Sources and Uses (\$ millions)

Sources		Uses	
Cash and investments	\$43	Purchase price ¹	\$206
\$60 million RC	0	Refinance existing TLA	76
TLB	250	Estimated fees & expenses ²	11
Total sources	\$293	Total uses	\$293

¹ Purchase price based on USD / CAD exchange rate of 1.25 as of 10/10/2017

² Estimated fees and expenses include financing, ratings, legal, and other miscellaneous expenses

Pro Forma Capitalization (\$ millions)

	Existing		Pro forma	
	Jun-17	xAdj. EBITDA	Jun-17	xAdj. EBITDA
Cash & cash equivalents	\$75		\$32	
Investments ¹	13		13	
Cash & cash equivalents	\$88		\$45	
\$60 million RC	–		–	
Existing TLA	76		–	
New TLB	–		250	
<i>Total debt</i>	<i>\$76</i>	<i>1.9x</i>	<i>\$250</i>	<i>4.1x</i>
Net debt	(12)	N/M	205	3.4x
Minority interest	\$5		5	
Market capitalization ²	567		678	
Firm value	\$560	13.7x	\$888	14.6x
Thermon Adj. EBITDA (LTM Jun-17)		\$41		\$41
Target Adj. EBITDA (LTM Aug-17) ³		–		18
Estimated cost synergies		–		2
Adj. EBITDA		\$41		\$61

¹ Investments are primarily held in foreign accounts and have maturities between 90 days to 1 year; ² Market cap for "Actual" column as of 9/26/17 (1 week before announcement), PF column as of 10/9/17 post announcement; ³ Target LTM Aug-17 Adj. EBITDA based on USD / CAD exchange rate of 1.25 as of 10/10/2017

\$250mm term loan B



Summary of Terms

Borrower:	Thermon Holding Corp.
Guarantors:	Thermon Group, Holdings, Inc., Thermon Inc. and certain future material domestic subsidiaries
Facility:	\$250 million term loan B ("TLB")
Corporate Ratings:	B2 / B+
Maturity:	7 years
Use of proceeds:	Fund the purchase of CCI Thermal Technologies Inc., refinance certain existing indebtedness and for general corporate purposes
Security:	Pari passu perfected 1st priority lien on all assets (excluding real property) of the U.S. Borrower and the U.S. guarantors with a 65% stock pledge of foreign subs
Amortization:	1% per year, payable quarterly; bullet at maturity
Soft call protection:	101 soft call protection on repricing for 6 months
Incremental facilities:	<ul style="list-style-type: none"> ■ Unlimited up to secured leverage ratio of 4.0x, otherwise \$30 million ■ 50 bps MFN for the life of the facilities
Mandatory prepayments:	<ul style="list-style-type: none"> ■ 50% of excess cash flow when total leverage \geq 4.00x; 25% when total leverage ratio \geq 3.50x; 0% when total leverage ratio $<$ 3.50x ■ 100% of post-closing equity and debt issuances (other than permitted debt issuances) ■ 100% of asset sales and casualty proceeds (subject to customary reinvestment rights)
Financial covenants:	None
TLB indicative pricing:	<ul style="list-style-type: none"> ■ L + 425 bps ■ 1% LIBOR floor ■ 99.0 OID

Indicative Transaction Timetable



October 2017						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				



= Bank Holiday



= Key Execution Event

Date	Event
Wednesday, October 11 th	Lenders' meeting
Tuesday, October 24 th	Commitments due from Lenders

Strategic Rationale: Acquisition of CCI Thermal



Market Leadership in Thermon-Identified Expansion Areas

- CCI Thermal will become Thermon's process heating platform, allowing for global expansion into end markets not currently served by Thermon
- Multiple brands with regional recognition for quality and customer service and meaningful share within niche markets

Value Creation Opportunity with Favorable Synergy Story

- Moderate cost-synergy potential: MIQ, facilities, headcount, purchasing
- Immediate-to-near term revenue uplift through selling already-certified products in Russia
- Likely incremental tax structuring efficiencies

Attractive Business Mix

- Long-term relationships with broad-spectrum, blue-chip customer base
- Growth opportunities into new end markets with significant natural gas market exposure
- CCI Thermal is predominantly midstream focused in their oil and gas markets, which balances Thermon's focus in downstream and upstream

Robust Financial Profile & Performance

- Strong normalized adjusted EBITDA margin of 29%; adjusted EBITDA of \$24.3 million (avg. '12-'17)¹
- Increases scale, size and is accretive to margins, FCF and EPS

Well-Positioned for Future Growth

- Buying in a market trough and well positioned for recovery of oil and gas market
- CCI Thermal has an \$800 million addressable market which is highly fragmented, increasing Thermon's current \$1.5 billion addressable market by over 50%
- Opportunity to push CCI Thermal's products across Thermon's sales channels into new geographies
- Potential for further end market diversification (semiconductor, pharma, etc.)
- Established platform for growth via acquisition with pipeline of actionable M&A opportunities
- Deep pipeline of new products (e.g. IoT, methane conversion, Blue Flame Technology)



¹ Based on USD / CAD exchange rate of 1.25 as of 10/10/2017



Company and Industry Overview





Vision

Thermon's vision is to be the world's leader in industrial process heating solutions

"With passionate people dedicated to anticipating customer needs, we will safely deliver innovative solutions to improve our customer's measures of success"

Mission

Thermon's mission is to provide safe, reliable and innovative mission-critical industrial process heating solutions that create value for our customers

LEADERSHIP

Continue providing global industry leadership in our core competency areas, and establish this leadership position in new markets as we grow

EXPANSION

Expand our core businesses through providing complete solutions, while exploring new business opportunities in adjacent markets that leverage our core competencies

INNOVATION

Feed the Thermon innovation pipeline, investing in ideas and technologies that differentiate our offerings and best serve our customers

CUSTOMERS

Partner with our customers to learn their business, anticipate their needs, and provide solutions that solve their most challenging problems

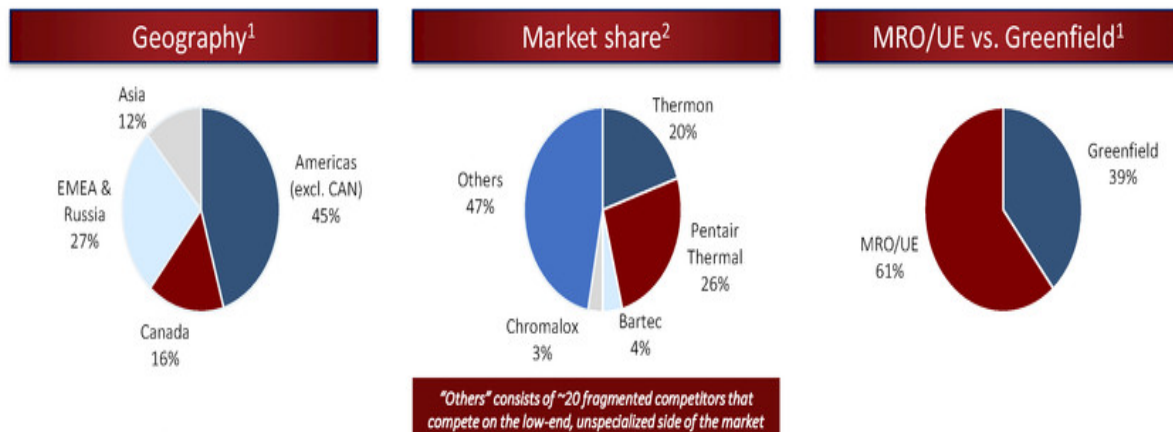
PEOPLE

Our people have always come first at Thermon. We strive to attract, develop and retain our people and continue to feed their passion for excellence, reward hard work, and ensure their safety

Thermon – Company Overview



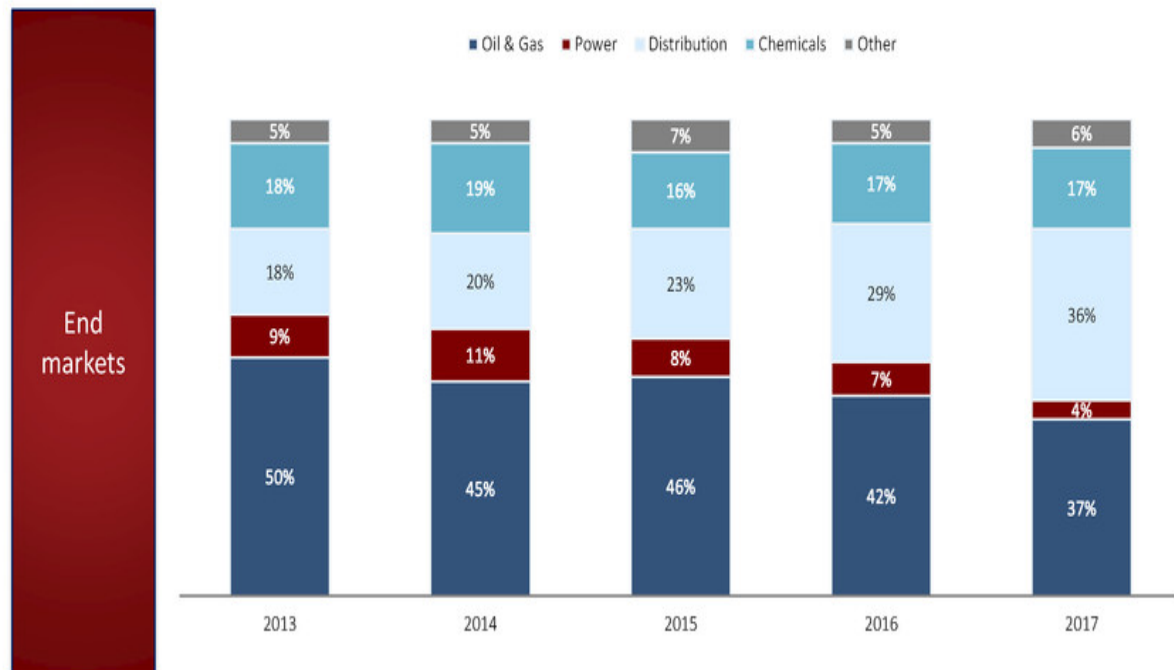
- Founded in 1954, Thermon is a leading provider of industrial process heating solutions delivering comprehensive, engineered solutions for complex projects around the world
- Thermon’s products provide an external heat source to pipes, vessels and instruments for the purposes of freeze protection, temperature maintenance, environmental monitoring and surface snow and ice melting
- Attractive mix between new project opportunities (“Greenfield”) and recurring maintenance or service and project expansion (“MRO/UE”)
- Serves a large and diverse base of multinational, loyal customers
 - Provided “turnkey” solutions to 363 projects in FY 2017
- Long history of revenue growth and consistent margins
 - Revenue CAGR of 8% since 2007
 - Average Gross Margins of 45% since 2000
- LTM (June 2017) Financials: Revenue \$253 million and EBITDA \$41 million (16% margin)



¹ Based on results for the fiscal year ended March 31, 2017

² Management estimates as of September 2017. Includes the design and supply of materials for industrial electric heat tracing. Excludes steam heat tracing, commercial heat tracing and installation and insulation services

Thermon – Company Overview (cont'd)



End Market Drivers

Oil & Gas	Chemical	Power
<ul style="list-style-type: none"> Industrialization of developing countries Refining the increasingly heavy / sour crude produced globally vs. light crude Replacing and expanding transmission pipeline networks Environmental compliance and regulatory mandates Typically an even split between upstream and downstream, however currently weighted towards downstream 	<ul style="list-style-type: none"> Growing base chemical demand in developing regions Growing processing capacity in low-cost feedstock regions Environmental compliance and regulatory mandates Lull in large projects and turnarounds 	<ul style="list-style-type: none"> Worldwide demand for electricity Population growth in emerging markets and increased urbanization Power generation infrastructure spending in all regions, particularly in Asia Environmental compliance and regulatory mandates

Thermon – Company Overview (cont'd)



Customer Overview



Longstanding Relationships with Diverse Customers

\$ (000's)	FY 2017 Revenue	% FY 2017	Relationship
Customer 1	\$15,445	6%	30 + Years
Customer 2	7,807	3%	50 + Years
Customer 3	6,599	2%	< 10 Years
Customer 4	6,056	2%	< 5 Years
Customer 5	5,326	2%	20 + Years
Customer 6	4,163	2%	10 + Years
Customer 7	3,215	1%	< 5 Years
Customer 8	3,119	1%	< 5 Years
Customer 9	2,952	1%	< 5 Years
Customer 10	2,929	1%	20 + Years
Total	\$57,612	21%	

Thermon's top 10 customers represented 21% of FY2017 revenues and no single customer represents more than 10% of the Company's total revenue

Commentary

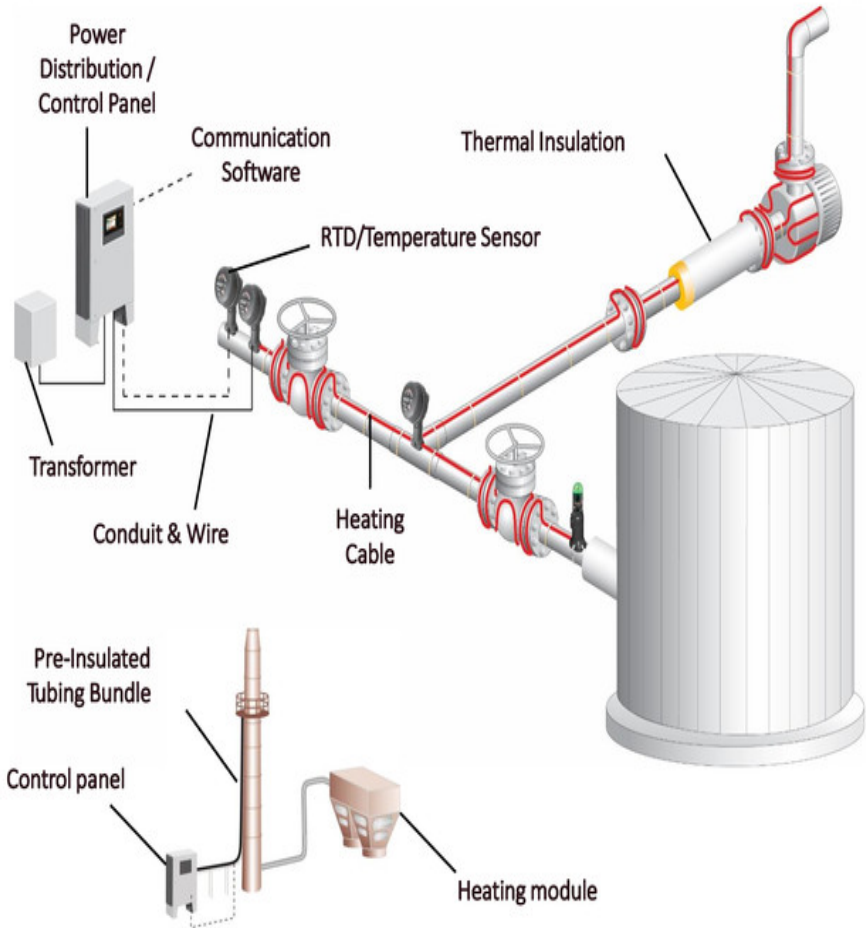
- Thermon serves a large and diverse base of multinational, loyal customers
 - Significant blue chip participation
- Thermon has developed tremendous brand equity within the end markets being currently served, and is considered a premium brand

Loyal relationships with customers and strategic partners, some for 60+ years

Thermon's Heat Tracing Roots



Components of a Turnkey Heat Tracing Solution



Heat Tracing Applications

- Petroleum Production
- Refining and Gas Processing
- LNG Tank Foundations, Terminals & Pipelines
- Power Generation
- Chemical Production
- Snow & Ice Melting
- Pharmaceuticals
- Mining
- Wastewater Management
- Arctic Marine

Thermon's Offering Overview and Competitive Advantage



Technology	Products	Services	Competitive Advantage																																							
Digital Controls		 Engineering	<table border="1"> <thead> <tr> <th></th> <th colspan="3">Competitor</th> </tr> <tr> <th></th> <th></th> <th>A</th> <th>B</th> <th>C</th> </tr> </thead> <tbody> <tr> <td>Controls & Monitoring</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> </tr> <tr> <td>Electrical Heating Solutions</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> </tr> <tr> <td>Steam Heating Solutions</td> <td>✓</td> <td>✗</td> <td>✓</td> <td>✗</td> </tr> <tr> <td>Engineering Optimization</td> <td>✓</td> <td>✗</td> <td>✗</td> <td>✓</td> </tr> <tr> <td>Construction Services</td> <td>✓</td> <td>✓</td> <td>✗</td> <td>✗</td> </tr> <tr> <td>Maintenance Services</td> <td>✓</td> <td>✓</td> <td>✗</td> <td>✗</td> </tr> </tbody> </table> <p><i>"Our customers success is our primary goal. With over 60 years of experience in the same industry, we can safely, quickly, and efficiently deliver complete solutions at the lowest total cost of ownership."</i></p>		Competitor					A	B	C	Controls & Monitoring	✓	✓	✓	✓	Electrical Heating Solutions	✓	✓	✓	✓	Steam Heating Solutions	✓	✗	✓	✗	Engineering Optimization	✓	✗	✗	✓	Construction Services	✓	✓	✗	✗	Maintenance Services	✓	✓	✗	✗
	Competitor																																									
		A		B	C																																					
Controls & Monitoring	✓	✓	✓	✓																																						
Electrical Heating Solutions	✓	✓	✓	✓																																						
Steam Heating Solutions	✓	✗	✓	✗																																						
Engineering Optimization	✓	✗	✗	✓																																						
Construction Services	✓	✓	✗	✗																																						
Maintenance Services	✓	✓	✗	✗																																						
Electric Heating		 Construction																																								
Steam Heating		 Maintenance																																								

Trends in Thermon's Key End Markets

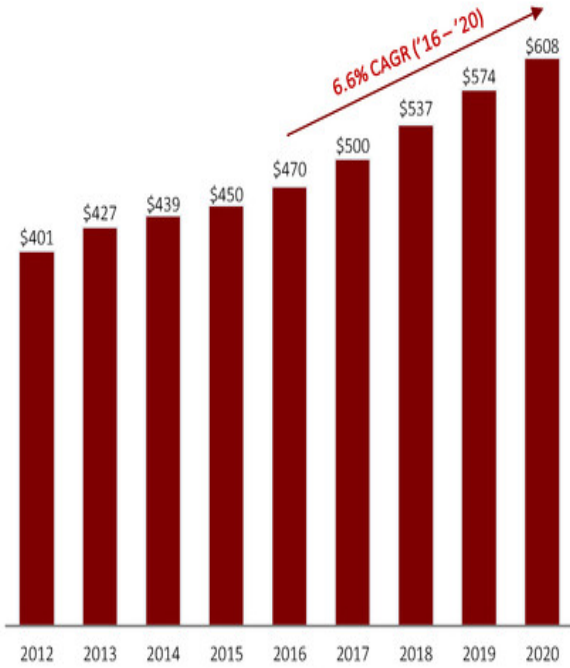


Global Oil & Gas Capex (\$ billions)



Source: EIA International Energy Outlook, 2016

Global Chemical Capex (\$ billions)



Source: American Chemistry Council, December 2015

Favorable tailwinds across key end markets resulting from growing customer capex budgets



25%
Process
Temperature
Maintenance

75%
Freeze
Protection

Thermon utilized VisiTrace™ to produce coordinates to facilitate the fabrication of the individual modules, eliminating costly changes and additions to the structural steel.



590,500 ft (180,000 m)

Total Heat Tracing

82,000 ft (25,000 m)

Total Tubing Bundles

400 Dual Rigid
Instrument Enclosures



53 TCM18 Control/Power
Distribution Panels

OS2 SAKHALIN ISLANDS, SEA OF OKHOTSK

The OS2 project employs one of the world's most powerful land-based rigs, which drills horizontally under the Sea of Okhotsk to the Odoptu oil reservoir, over five miles (nine kilometers) offshore.

Stavrolen is one of Russia's leading petrochemical complexes located in Budennovsk, Russia. The design was developed by Therman. The project was reviewed and approved by LUKOIL's Design Institute "LUKOIL-NizhegorodNIInefteproject".



50,000 ft (15,200 m)

Total Heat Tracing

40%
Winterization



60%
Process Heating



2 Control/Power
Distribution Panels

LUKOIL / STAVROLEN

The initial effort in Lukoil's program is to expand the Stavrolen complex's ability of processing associated petroleum gas (APG) from fields in the Northern Caspian, with a feed rate of 2.2 billion-cu m/year

The electrical heating system was designed by Theron reviewed and approved by SIEMENS, the engineering firm for the project. The design focused on winterization with ambient temperatures as low as -2°F (-19°C).

13

Control and Distribution Panels



24,600 ft
(7,500 m)
Instrument Tubing

127

Instrument Enclosures

64,000 ft
(19,500 m)
Heat Tracing

600

Total Number of Heat Tracing Circuits

LA CARIDAD COMBINED CYCLE POWER PLANT

Planta La Caridad is located in the municipality of Cananea Sonora, within the facilities of the copper mine of Minera Mexico. The plant was built primarily to provide energy to the mine and the states of Northern Mexico.

CCI Thermal – Company Overview

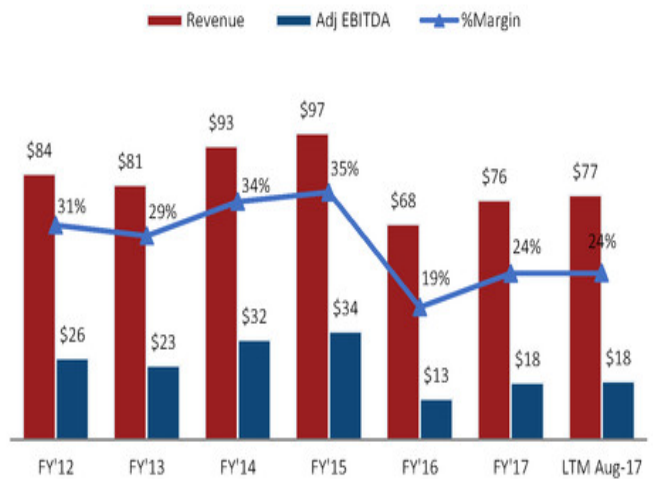


CCI Thermal is a platform business well-positioned to consolidate a highly fragmented \$800mm market

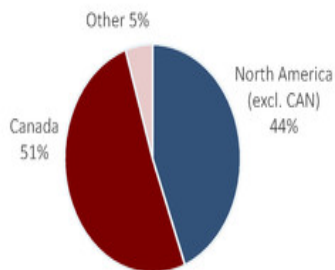
Other characteristics:

- CCI develops, designs, and manufactures advanced industrial heating and filtration solutions that are ready to serve clients around the world
- CCI maintains a strong competitive advantage, based on:
 - Ability to deliver high-quality, reliable products
 - Best in-class customer service
 - Strong brand equity and large installed base

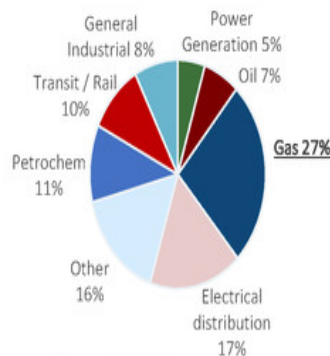
Historical Performance (\$ millions)



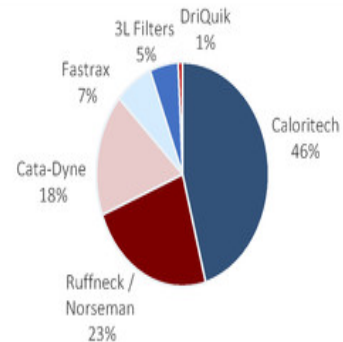
Revenue by Geography (FY 2016)



Revenue by End Markets (2017E)



Revenue by Brand (FY 2016)



Note: Based on FY ended July 31; All figures assume USD/CAD exchange rate of 1.25 as of 10/10/2017

CCI Thermal – End Market Overview



Established End Markets with a size of approximately \$800 million, within this space CCI Thermal is a Tier 1 player

<h2 style="margin: 0;">Oil & Gas</h2> <p style="margin: 0;">(20% 80%)</p>	<ul style="list-style-type: none"> ■ The demand for natural gas is expected to grow at 1.6% per year through 2022, with 90% of demand coming from developing countries ■ Use of natural gas by the chemical sector, driven in part by growing demand for fertilizers and as a replacement for power from coal, is expected to grow at 3% per year <p style="font-size: small; margin-top: 5px;">Source: IEA Forecast</p>
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<h2 style="margin: 0;">Transit (Rail)</h2>	<ul style="list-style-type: none"> ■ Class I rail capex was depressed in 2016 and 2017, with near record cars in storage ■ Rail traffic is expected to recover in 2018 as usage normalizes
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New or Under-Served End Markets Provide Opportunities for Additional Diversification

Agriculture	Aviation / Aerospace	Food Processing	General Manufacturing
			
Nuclear	Pharmaceutical	Semiconductor	Water Treatment
			

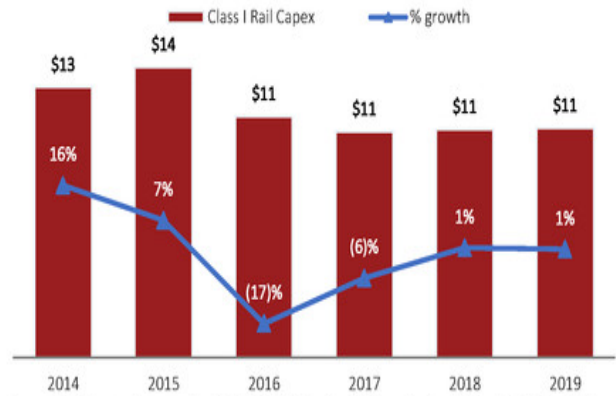
CCI Thermal – End Market Breakdown



Commentary

- CCI product lines offer numerous solutions across the value chain – Up-, Mid-, and Downstream
- Upstream exploration spending rebound forecast to continue beyond 2017 as prices return to long-run equilibrium levels
- New NAM midstream growth capex forecast to abate as secular growth driven by fracking boom slows
- Class I rail expenditure growth correlate well with company revenue growth historically (R^2 above 60%), as well as with oil and gas activity
 - The number of freight cars in storage peaked in 2016 at near 15-year high (second only to 2009)

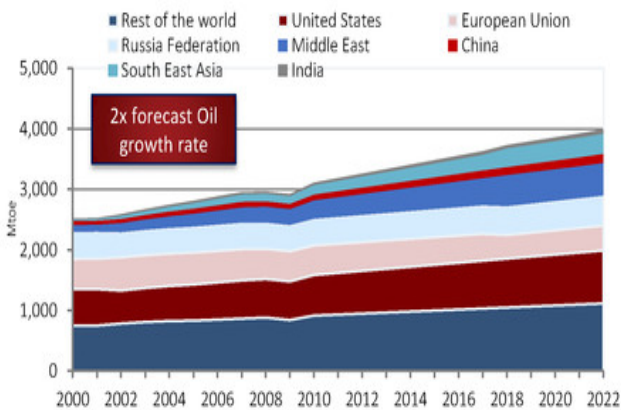
Class I Rail Capital Expenditures (\$ billions)



Source: Wall Street equity research and Capital IQ. | Note: Class I Rail providers include Canadian National Railway company, Canadian Pacific Railway company, CSX, Kansas City Southern, Norfolk Southern, and Union Pacific

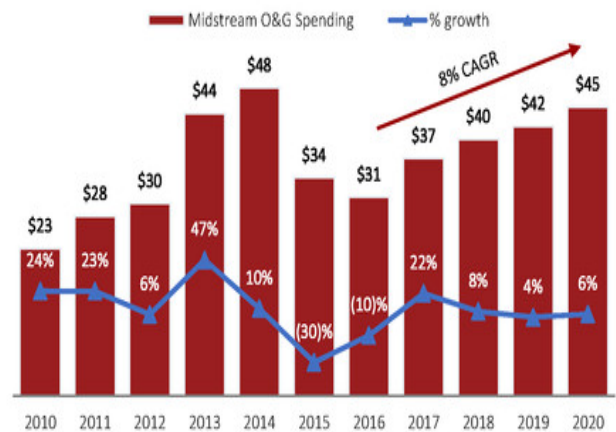
Global Natural Gas Demand Growth by Region

Global Natural Gas demand growth is 1.6% per year through 2022



Source: IEA Forecast

Midstream Oil and Gas Capex Spending (\$ billions)



Source: Wall Street Research | Note: capex forecasts for forward years based on 8-year historical capex % of sales and median North American Wall Street growth estimates

CCI Thermal's Custom Engineering and Design



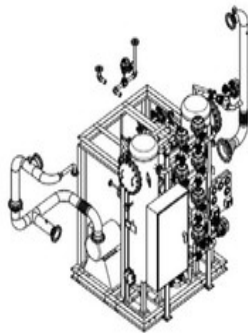
CCI Demonstrates deep engineering and manufacturing capabilities – and produces highly-customized solutions for complex heating needs. This is accomplished through the Company's breadth of experience and products that serve a wide variety of industries

Custom Engineering and Manufacturing

- Custom pressure vessel, filter and process design
- Design registration
- ASME Sections I, III, IV and VIII Design
- AutoCAD & Solid Edge design drawings
- In-house and third-party NDE testing
- In-house pressure and performance testing
- Electrical gas circulation heating simulation
- Gas catalytic line gas heating simulation
- Electric liquid vaporizers sizing and calculation

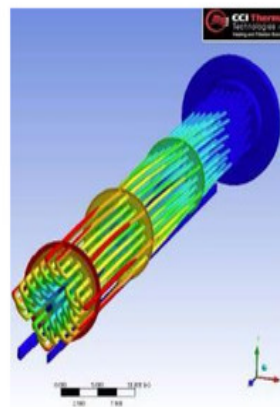
Design Engineering

- 2-D design and 3-D modeling
- Custom engineered solutions (e.g. vapor recovery dryer, waste water treatment solution, fuel gas conditioning system)



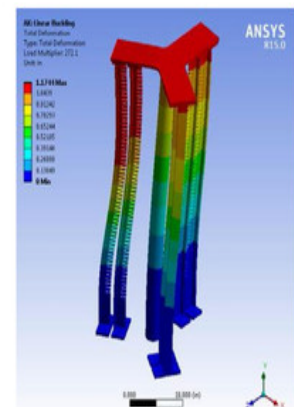
Seismic Analysis

- Finite element analysis
- Modal Analysis
- Response spectrum analysis



Stress Analysis

- COMPRESS code calculation
- Finite Element Analysis
- MathCAD and in-house stress analysis software



CCI Thermal – Operations



North America Focused Footprint



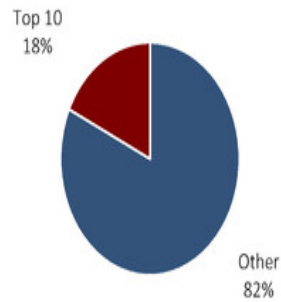
☆ Headquarters¹
● Manufacturing location

Manufacturing location	Size (sq ft)	% of revenues	# of employees	Average Tenure
Edmonton, Canada	113,850	34%	98	11.1
Oakville, Canada	99,281	32%	131	13.1
Orillia, Canada	99,982	21%	131	13.6
Denver	28,360	7%	10	6.2
Houston	16,900	6%	14	4.9
Total / Avg.	358,373	100%	384	12.3

North America footprint with and 2 facilities in the U.S. and 3 facilities in Canada

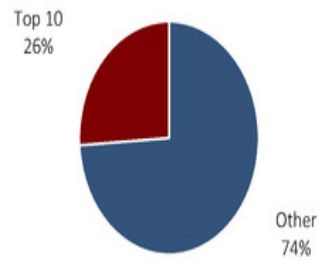
¹ Edmonton serves as headquarters and a manufacturing location

2017 Customer Concentration



Broad customer base with limited customer concentration

2017 Supplier Concentration

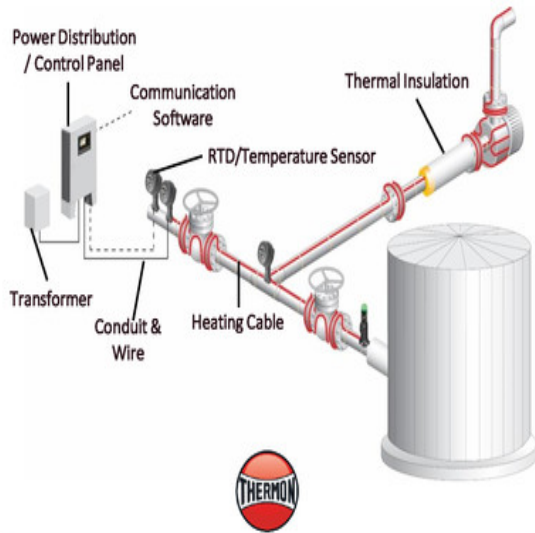


Long-standing diversified supplier base

CCI Thermal's Capabilities Complement Thermon's Process Heating Portfolio



Thermon Heat Tracing Systems



CCI Thermal Process Heating Systems

Cata-Dyne	Ruffneck Norseman	Calortech	3L Filters	Fastrax
Market leading brand of high efficiency explosion proof gas catalytic heaters	Unit and convection heaters designed for rugged industrial applications	Electric heaters engineered for industrial processes and environments	Provides a wide variety of advanced gas and liquid filtration systems	Highly efficient heat transfer for rail track and switch equipment
Explosion-Proof Gas Catalytic Heater	Explosion-Proof Electric Air Heater	Immersion Heater	Fuel Gas Conditioning System	Gas Fired Blower
Infrared Gas Catalytic Heater	Explosion-Proof Forced Air Heater	Corrosion-Resistant Washdown Heater	Liquid Filter Separator	Snow Sensors
Compressed Gas Scrubbing Systems	Explosion-Proof Natural Convection Heater	Liquid Heat Transfer System	Vapor Recovery Dryer	Electric Hot Air Blower

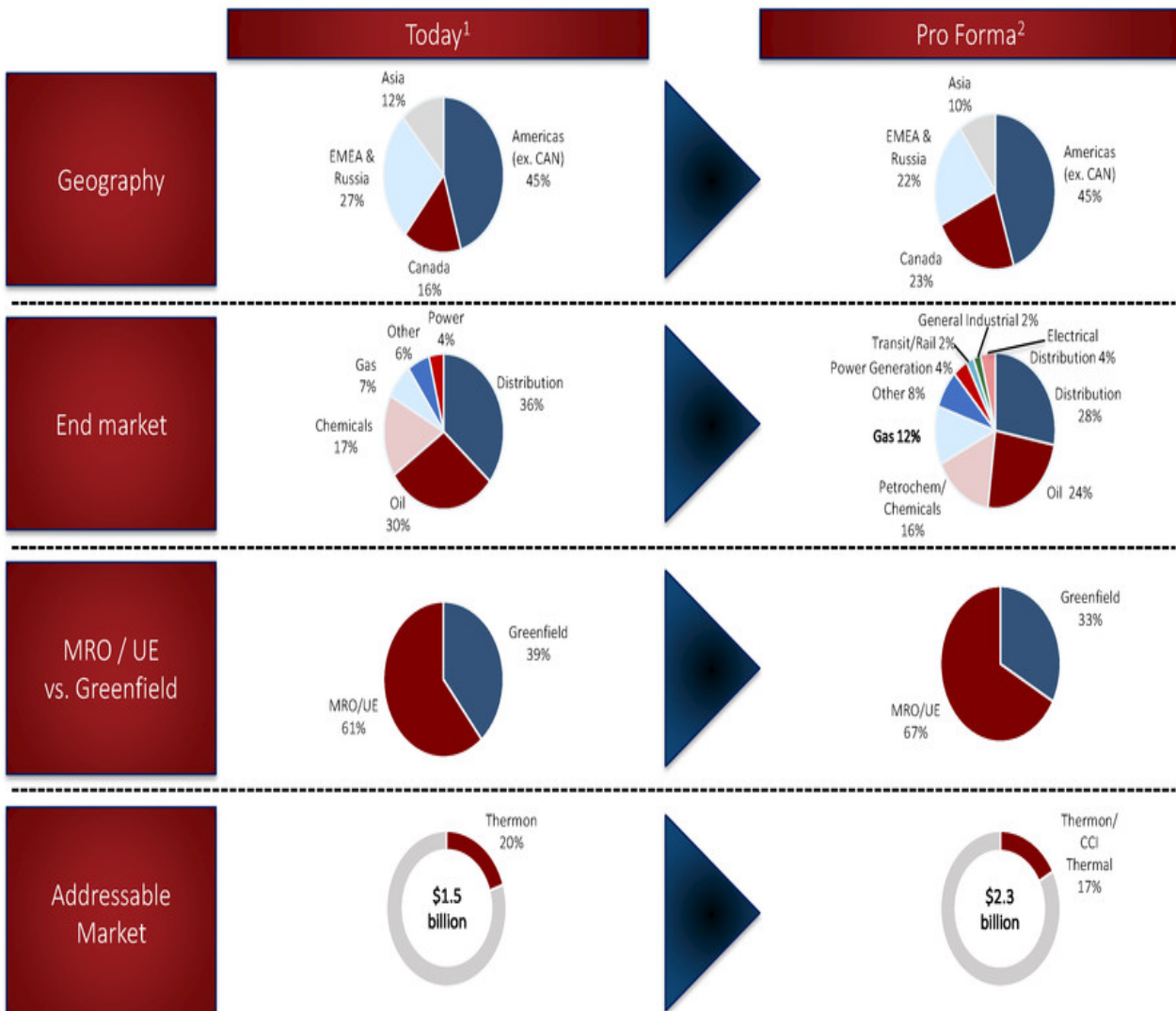
CCI Thermal Technologies Inc.

Thermon heat tracing uses advanced controls and communications platforms to heat external transfer lines to maintain process fluid temperature within specified ranges and then communicates that information back to the operator...

...while CCI Thermal's advanced heating products provide heat to process fluids at others stages in the process – and in other areas within a facility. This serves to broaden Thermon's scope through a providing a broader set of solutions to the customer

Thermon's increased capabilities and global footprint will broaden the ability to deliver complete industrial process heating & thermal management solutions to our customers

Pro Forma Company Overview



¹ Based on results for the fiscal year ended March 31, 2017

² CCI Thermal data per sell-side materials and management estimates (assume USD/CAD exchange rate of 1.25 as of 10/10/2017)



Key Credit Highlights



Key Credit Highlights



- 1 Attractive mix between Greenfield and recurring business
- 2 Highly engineered, mission critical solutions
- 3 Global footprint that provides access to high-growth markets worldwide
- 4 CCI Thermal is an attractive addition to the existing Thermon platform
- 5 Robust and consistent free cash flow
- 6 Evidence of business stabilization at Thermon

1 Attractive Mix Between Thermon's Greenfield and Recurring Business



	Greenfield (New Projects)	Maintenance, Repair and Overhaul (MRO)	Upgrades and Expansion (UE)
	39% FY 2017 Revenues	61% FY 2017 Revenues	
Margins ¹ :	25 – 40%	40 – 60%	30-45%
Project Size / Length:	<ul style="list-style-type: none"> More than \$1mm per project More than 6 months (1-2 years typical) 	<ul style="list-style-type: none"> Less than \$1mm annually Less than 6 months 	<ul style="list-style-type: none"> All \$ amounts 3-6 years after installation
Competition:	<ul style="list-style-type: none"> Competitive bid process 	<ul style="list-style-type: none"> Not competitive/no bid Usually awarded to Greenfield provider 	<ul style="list-style-type: none"> Involves minimal bidding/marginally competitive
Commentary:	<ul style="list-style-type: none"> Drivers include energy demand and capital spending Turnkey solutions, global footprint, local presence, strong reputation and deep customer relationships are critical 	<ul style="list-style-type: none"> Begins ~2 years after the initial installation and lasts through the asset's useful life 5% to 10% of the initial heat trace system cost annually 	<ul style="list-style-type: none"> Local design, engineering, inventory and supply chain Installed base creates advantage

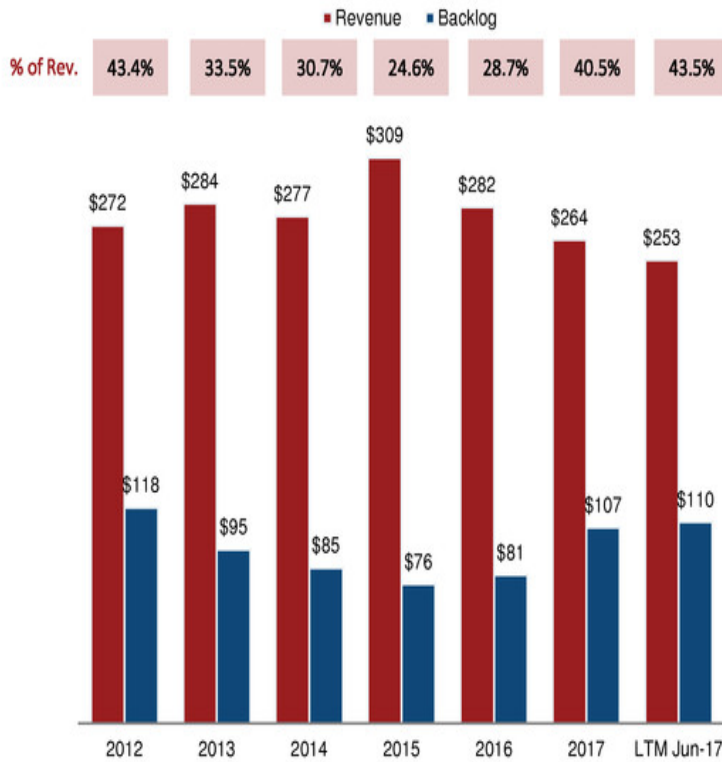
MRO / UE business provides consistent recurring revenues – with the acquisition of CCI Thermal the pro forma MRO / UE contribution will increase to 67% from 61% today

¹ Per management estimates for typical projects and MRO/UE work

1 Thermon's Greenfield Business has a Strong and Growing Backlog which Provides Forward Visibility



Historical Revenue and Backlog (\$mm)



Backlog Considerations

- Backlog is nearly 100% "Greenfield" projects
- Greenfield projects account for 39% of annual revenues
- Backlog is currently concentrated in EMEA and Asia while North America is experiencing a ~50% increase in MRO²
- Additional ~\$29mm¹ in backlog at CCI Thermal
- Consistent win rate of approximately 43%

Thermon's healthy backlog provides visibility to future revenue stream

¹ Based on results for the April 30, 2017; Backlog of CAD\$36.6mm and 1.25 CAD/USD conversion rate as of 10/10/2017

² Per management estimates

2 Thermon has Highly Engineered, Mission Critical Solutions



Highly-Engineered
component Crucial to
Thermon's End
Markets

- International Certifications for Hazardous-Locations
- Important due to critical role of heat tracing in the operation of the plant
- Well respected for technical expertise
- Reputation for helpful and responsive customer service
- Leader in developing international industry standards

Mission-Critical
Products that enable
Safe and Efficient
Facility Operation

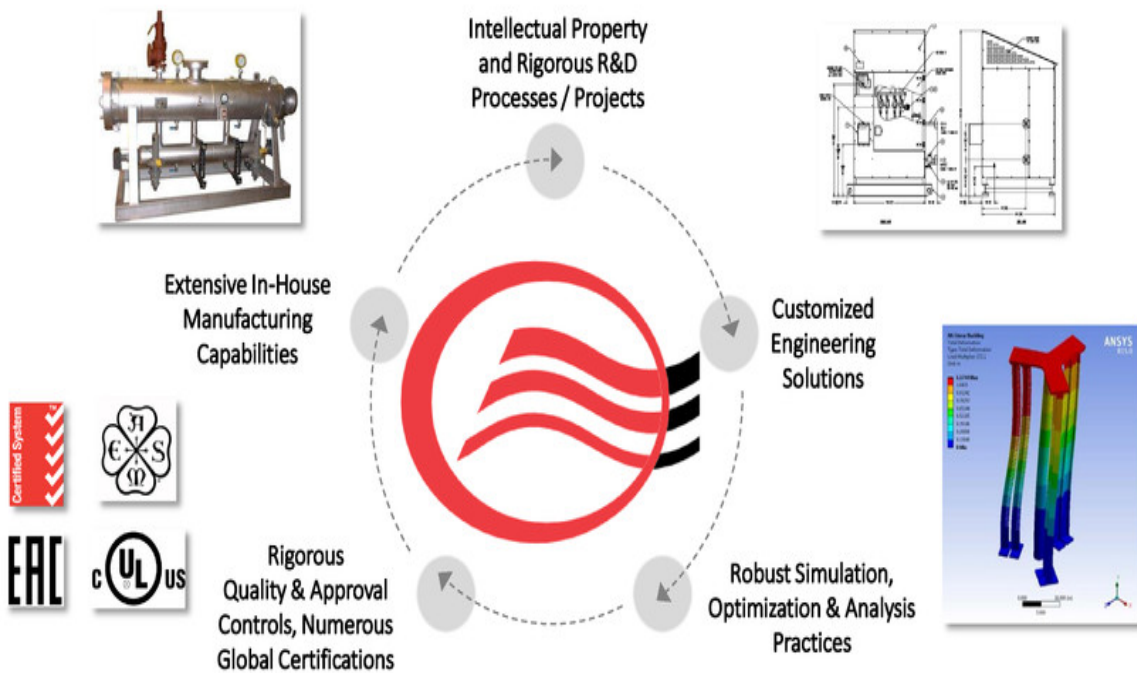
- Customers place a premium on fast, reliable, on-spec system delivery
- High cost of non-performance; product price is often a secondary consideration
- Low in cost relative to the overall facility expenditure (< 1% of the total facility spend), but critical to the efficient and continued operation of the facility
- Use incumbent brand for MRO/UE to avoid switching complications and warranty or compatibility concerns

Reputation for quality and critical nature of products creates significant barriers to entry and pricing power consistently drives high margins

2 CCI has a Highly Differentiated and Defensible Product Base

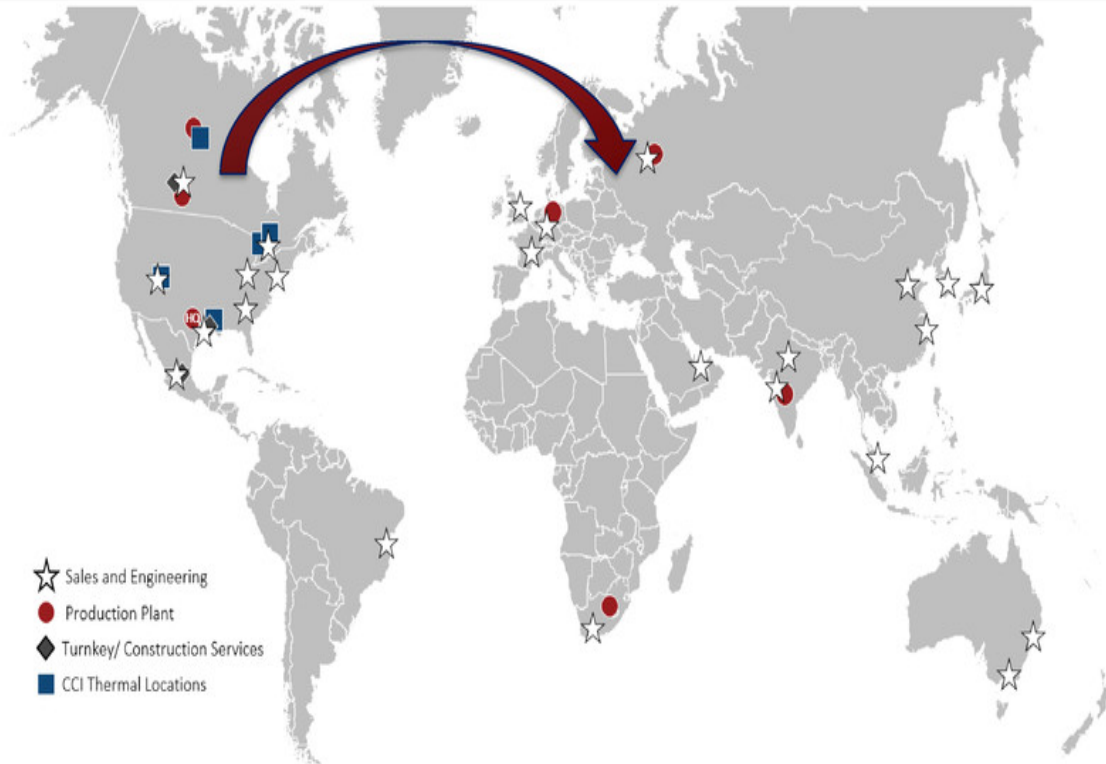


- Extensive IP portfolio with 25 patents + 10 pending
- Extensive portfolio of proprietary designs and 20 registered professional engineers
- Numerous global certifications that will allow for immediate expansion into foreign markets
- Industry-leading analysis and design competencies
- In-house machining, blasting and painting, NDE testing, pressure and performance testing
- High barrier to entry, high margin products



CCI has the resources and experience to design and fabricate the most complex, customized heat products – which in turn supports the Company's gross margin profile and market position

3 Combined Global Footprint that Provides Access to High-Growth Markets Worldwide



- Thermon has a global footprint with local presence
 - Sales to approximately 85 countries worldwide in FY 2017
 - Approximately 1,000 employees in more than 15 countries
 - Over 100 independent sales agents and distributors in over 30 countries
 - Manufacturing facilities in the U.S., Europe, Africa, Canada, Russia and India
- CCI Thermal currently operates from five manufacturing locations within North America

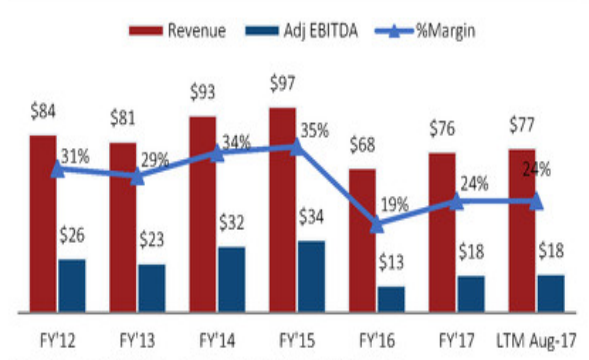
Thermon's global footprint provides a platform to significantly increase CCI Thermal's sales internationally

4

CCI Thermal is an attractive addition to the existing Thermon platform

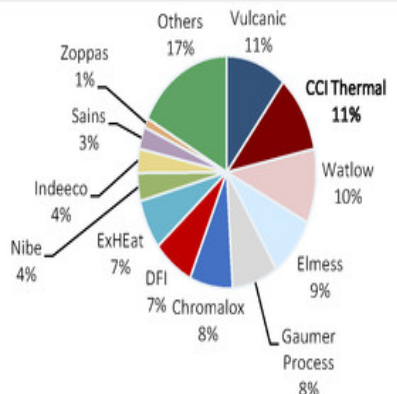


Strong Financial Track Record



Note: Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017

Tier 1 Player in Highly Fragmented Market



Extensive IP Portfolio and R&D

- Extensive IP portfolio:
 - 17 Canadian patents
 - 8 U.S. patents
 - 10 patent applications pending
- 7 major globally recognized brands
 - Cata-Dyne, Ruffneck, Norseman, Caloritech, 3L Filters, Fastrax, DriQuiks
- Trade secrets and know-how
 - Non-patented proprietary designs and technological methods, keeping this competitive information private
 - 20 registered professional engineers

Longstanding Relationships with Diverse Customers

Customer	YTD Mar-2017 ¹	% YTD Mar-17	Relationship
Customer 1	\$2,186	3.9%	10+ years
Customer 2	1,568	2.8%	10+ years
Customer 3	1,193	2.1%	20+ years
Customer 4	990	1.8%	20+ years
Customer 5	960	1.7%	15+ years
Customer 6	884	1.6%	20+ years
Customer 7	819	1.5%	25+ years
Customer 8	692	1.2%	30+ years
Customer 9	593	1.1%	30+ years
Customer 10	536	1.0%	20+ years
Top 10 customers	\$10,424	18.6%	



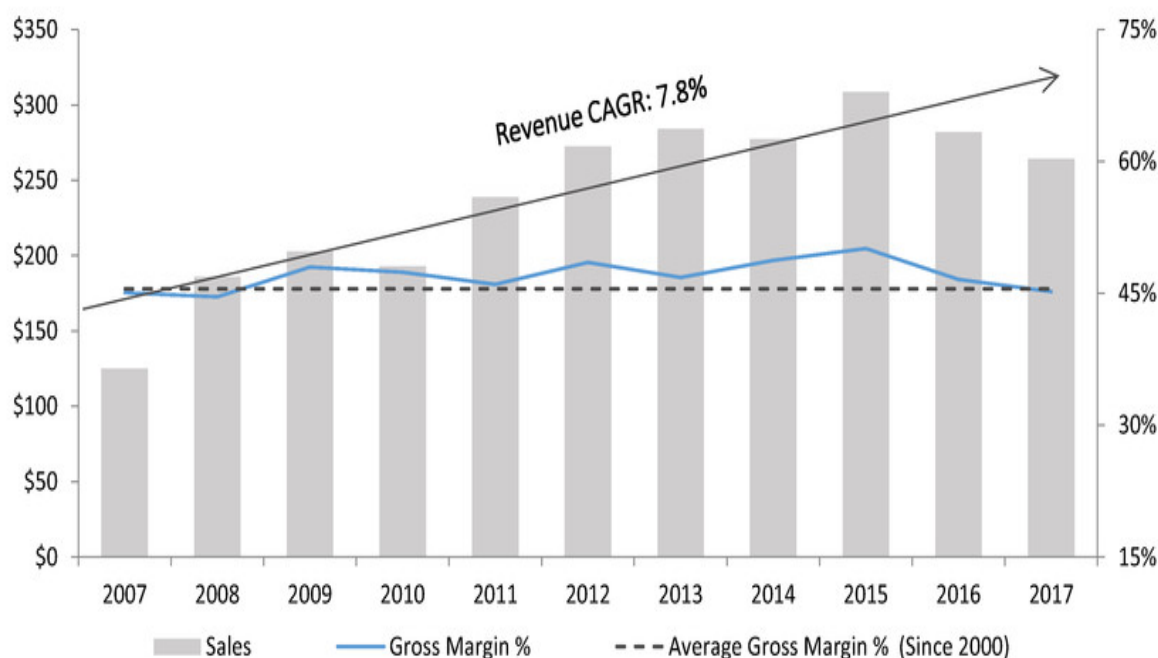
Source: Per CCI management

¹ YTD 2017 defined as August 1, 2016 through March 31, 2017; Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017

5 Robust and Consistent Free Cash Flow



Thermon's Revenue Growth and Consistent Margins Since 2007



	2007	2008 ¹	2009	2010	2011	2012 ²	2013	2014	2015	2016	2017	LTM June-17
EBITDA Margin	16.0%	20.9%	23.4%	23.3%	23.9%	26.2%	25.5%	26.8%	27.0%	23.2%	16.4%	16.1%
Free cash flow	\$7.4	\$7.5	\$22.5	\$22.3	\$63.7	\$3.6	\$39.6	\$39.1	\$44.0	\$38.6	\$18.1	\$29.5

Note: Results for fiscal years ended March 31. Gross margin results for fiscal years ended March 31, 2006 and 2011 exclude non-cash purchase accounting adjustments of \$7.1 million and \$7.6 million related to the Audax and CHS private equity transactions, respectively. The mean gross margin of 45.5% represents historic data since 2000

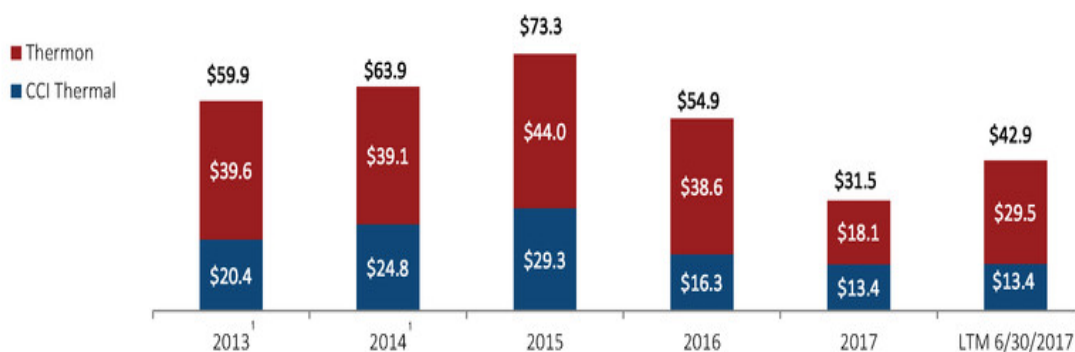
¹ Adjusted for one-time financing cost of \$12.9 million associated with the Audax transaction

² Related to one-time financing costs associated with the CHS Transactions and increased levels of indebtedness incurred in connection with the issuance of \$210.0 million of senior secured notes

5 Robust and Consistent Free Cash Flow (cont'd)



Free Cash Flow of Combined Entities (\$ millions)						
	Historical FYE March 31,					LTM 6/30/2017
	2013 ¹	2014 ¹	2015	2016	2017	
Thermon adjusted EBITDA	\$72.4	\$74.4	\$83.2	\$65.3	\$43.3	\$40.7
CCI adjusted EBITDA	23.4	31.6	37.0	17.5	15.1	17.6
Cash interest	(12.7)	(10.2)	(4.1)	(3.4)	(3.1)	(3.0)
Cash taxes	(10.4)	(9.2)	(13.8)	(16.6)	(9.5)	(8.7)
Capital expenditures ¹	(7.3)	(6.4)	(10.4)	(14.7)	(8.9)	(8.7)
Changes in working capital	(5.4)	(16.2)	(18.6)	6.8	(5.4)	5.0
Free cash flow	\$59.9	\$63.9	\$73.3	\$54.9	\$31.5	42.9



Both Thermon and CCI have exhibited the ability to generate strong free cash flow through the cycle driven by low capex and working capital needs

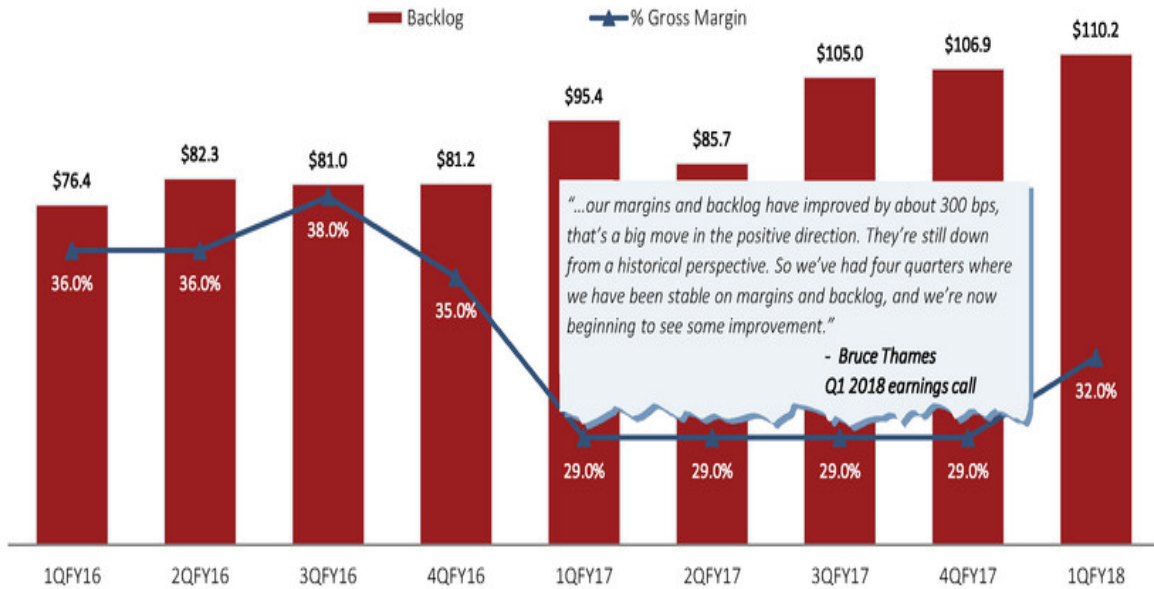
Note: Target figures have been calendarized to Thermon's FYE of March 31, CCI figures assume USD/CAD exchange rate of 1.25 as of 10/10/2017

¹ Uses CCI Thermal FY ended July 31 figures rather than calendarized March 31 periods or June 30, 2017 period as data is not available

6 Evidence of Business Stabilization at Thermon



Thermon Quarterly Backlog and Backlog Gross Margin (\$ millions)



"...our margins and backlog have improved by about 300 bps, that's a big move in the positive direction. They're still down from a historical perspective. So we've had four quarters where we have been stable on margins and backlog, and we're now beginning to see some improvement."
 - Bruce Thames
 Q1 2018 earnings call

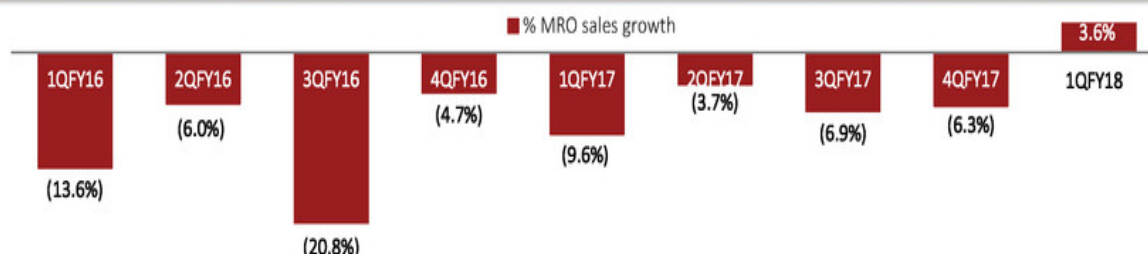
- The Company has a book-to-bill ratio of over 100% for the past 3 quarters and has averaged over 95% over the past 3 years
- The Thermon backlog primarily consists of Greenfield projects that provide visibility into the next 12-18 months
 - The backlog does not include non-contracted business / orders placed, which comprised approximately 61% of the business at a trough level in FY17
- Quick turn revenue is a subset of the MRO business, and consists of orders that are converted to invoices within 2 weeks - Quick turn sales continue to drive improved topline, as evidenced by a \$1.4mm increase in quick turn revenue year over year
- Represents an expansion of its addressable market into new geographies, with new customers and in different end markets
 - Eastern Hemisphere has been robust in recent periods and currently comprises an outsized portion of the backlog, implying upside in the Western Hemisphere

Gross margin in backlog improved at the end of June by 300bps, closer to historical Thermon levels

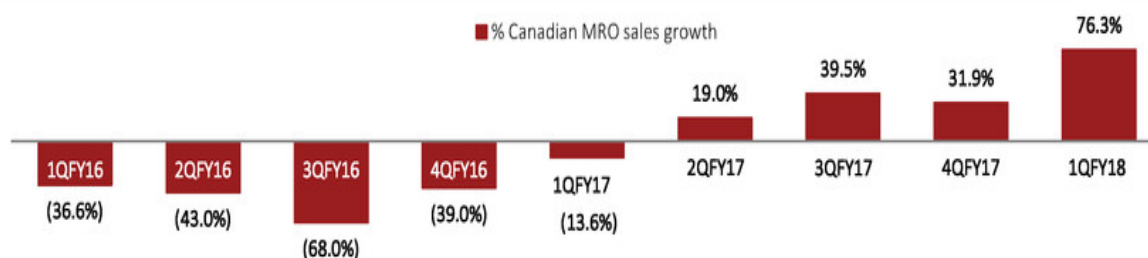
6 Evidence of Business Stabilization at Thermon (cont'd)



Thermon Total MRO Sales and Y-o-Y Growth



Thermon Canadian MRO Sales and Y-o-Y Growth



"After a difficult 2 years, the Q1 results in Canada were very positive with a **76% year-over-year growth** in MRO/UE. We are also seeing the release of some pent-up demand as customers are proceeding with activity on quotes that have been open for the last 12 to 18 months."

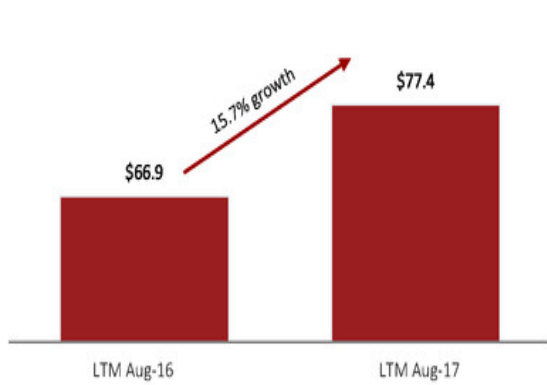
- Bruce Thames
Q1 2018 earnings call

- In the normal course of operations within the installed base, Thermon's customers continually perform MRO work (preventative maintenance or replacement of damaged products) to ensure the safety and profitable operation of each facility
- In previous cycles, Thermon has experienced some deferral of MRO sales, but typically for only up to 1 year
- After an unusually long ~2 year deferral of maintenance spending, Thermon is seeing strong MRO activity, particularly in Canada
- After a significant Canadian build-out that wound down in 2013, maintenance purchase orders are now coming through for these newer plants that were constructed 3-5 years ago

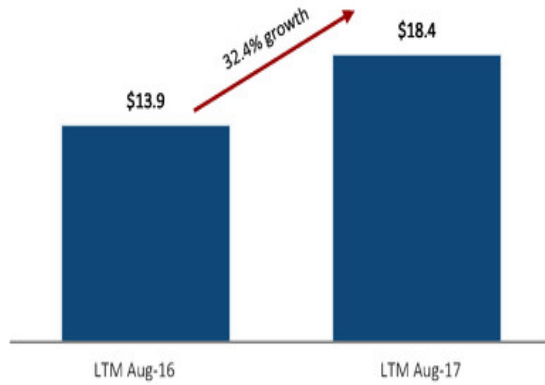
6 CCI Thermal – Business Stabilization



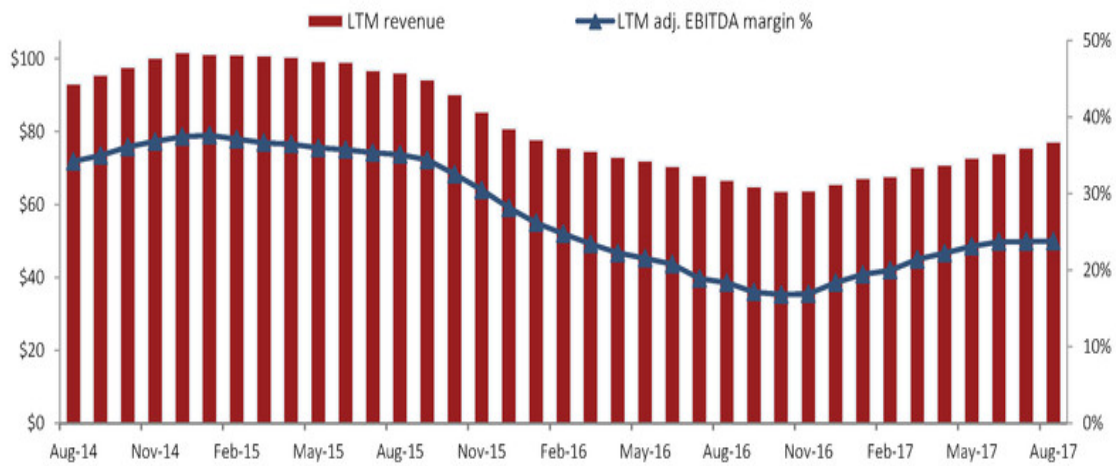
Historical Revenue Performance (\$ millions)



Historical Adjusted EBITDA Performance (\$ millions)



CCI Thermal's Business Stabilization and Turnaround (\$ millions)



Note: Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017



Historical Financial Performance



Financial Strategy Guidelines



Target Leverage

- Focus on deleveraging with target total net leverage of less than 2.0x
- Robust cash flow expected to support debt repayment

Return to Growth

- Strong backlog, margin recovery, and maintenance capex cycle restart has created significant potential for growth
- Well positioned to benefit from a recovery in the oil & gas markets

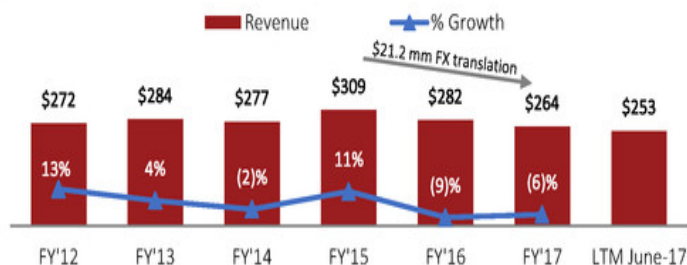
Capital Allocation

- No planned shareholder distributions
- Grow addressable market via disciplined acquisitions of industrial process heating manufacturers and service solutions providers with attractive financial profiles, similar customer bases to Thermon and viable strategic synergies

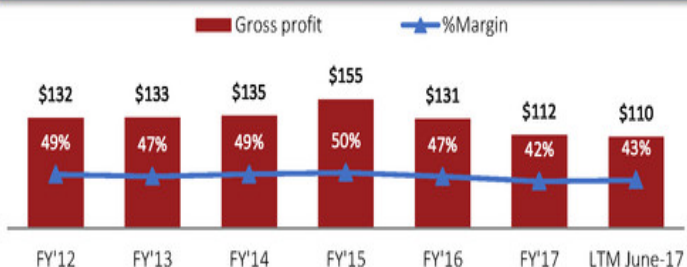
Thermon – Historical Financial Performance



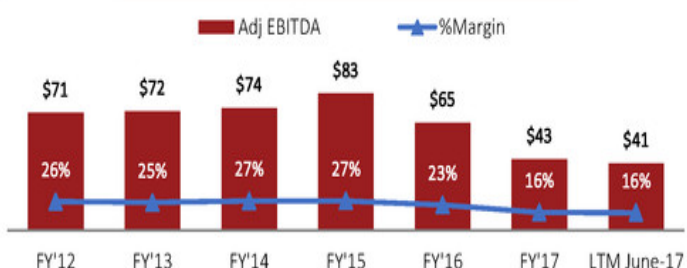
Revenue (FYE March, \$millions)



Gross Profit (FYE March, \$millions)



EBITDA (FYE March, \$millions)



Source: Company filings

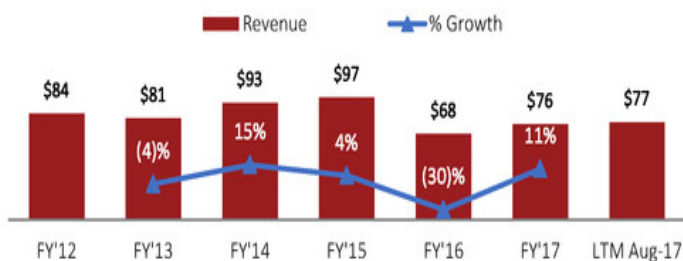
Management Discussion

- Over the past 2 years, the strengthening dollar has resulted in revenue reduction due to foreign translation of approximately \$21 million
- With fewer greenfield projects up for bid, particularly in North America, the greenfield pricing environment has become competitive resulting in margin headwinds
- After an unusually long ~2 year deferral of maintenance spending, Thermon is seeing very strong MRO activity, particularly in Canada
 - In Q1, Canada experienced 76% growth year over year in MRO sales and the Company is seeing that trend continue into Q2
 - The Company is seeing a release of pent up demand as customers have been proceeding with activity
 - In many cases the maintenance can no longer be deferred as the prolonged deferrals can begin to create hazard/safety issues – as a result risk of further downside is largely limited
- The majority of the Company's current North American energy exposure has been reduced to field maintainability and upstream sustainability capex, and a most of the Company's installed base in the Canadian oil sands is coming up on a 3 to 5 year maintenance cycle
- The Company has good visibility into the execution of greenfield projects in the Eastern Hemisphere with material shipments accelerating in the second half of fiscal 2018

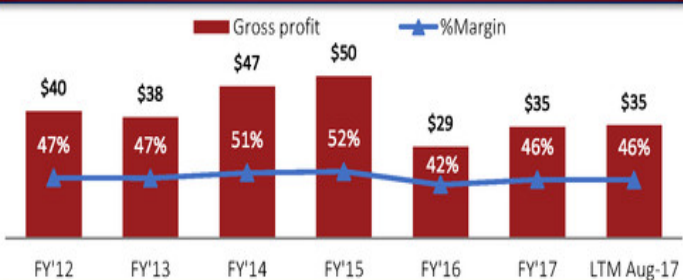
CCI Thermal – Historical Financial Performance



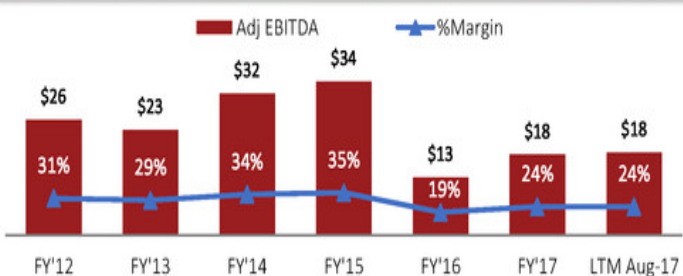
Revenue (FYE July, \$ millions)



Gross Profit (FYE July, \$ millions)



EBITDA (FYE July, \$ millions)



Note: Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017

Source: Company financials

Management Discussion

- The Company has retained the staffing levels seen in the FY2014-2015 era, which led to temporarily depressed EBITDA
- By keeping staff levels strategically elevated, CCI will be positioned to service the influx of sales at the high level of customer service for which the Company is renowned
- As of April 30, 2017, CCI Thermal had additional backlog of CAD\$36.6 million (approximately USD\$29 million)



Appendix

Free Cash Flow Reconciliation



	Historical FYE March 31,					LTM 6/30/2017
	2013	2014	2015	2016	2017	
Thermon adjusted EBITDA	\$72.4	\$74.4	\$83.2	\$65.3	\$43.3	\$40.7
Cash interest	(12.7)	(10.1)	(4.1)	(3.4)	(3.1)	(3.0)
Cash taxes	(10.4)	(9.1)	(13.7)	(15.5)	(9.3)	(8.5)
Capital expenditures	(6.3)	(3.4)	(6.1)	(12.6)	(8.4)	(8.2)
Changes in working capital ¹	(3.4)	(12.7)	(15.4)	4.8	(4.4)	8.4
Thermon free cash flow	\$39.6	\$39.1	\$44.0	\$38.6	\$18.1	\$29.5

¹ Net working capital excludes changes in income tax payables/receivables

	Historical FYE July 31,					LTM 8/31/2017
	2013	2014	2015	2016	2017	
CCI adjusted EBITDA	\$23.4	\$31.6	\$34.3	\$12.9	\$18.0	\$18.4
Cash interest	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Cash taxes	(0.0)	(0.1)	(1.1)	(0.2)	(0.0)	(0.0)
Capital expenditures	(1.1)	(3.1)	(4.3)	(2.1)	(0.5)	(0.5) ¹
Changes in working capital ²	(2.0)	(3.5)	(0.7)	3.9	(3.7)	(0.4)
CCI free cash flow	\$20.4	\$24.8	\$28.2	\$14.5	\$13.7	\$17.6

¹ Uses CCI Thermal FY ended July 31 figure rather LTM Aug-17 period as data is not available

² Net working capital excludes cash and government payables

Note: Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017

Thermon Adjusted EBITDA Reconciliation



	Historical FYE March 31,				LTM Jun-17
	2014	2015	2016	2017	
Net income	\$25.8	\$49.4	\$23.0	\$14.6	\$12.6
Interest expense, net	9.8	4.1	3.7	2.9	2.8
Income tax expense	7.0	13.2	8.7	4.1	3.3
Depreciation and amortization expense	14.2	14.1	17.4	17.8	18.3
Stock-based compensation expense	2.2	3.3	3.7	3.4	3.3
Minority interest	-	-	0.6	0.3	0.5
Cost of restructuring Canadian operations	-	-	0.6	-	-
Impairment of goodwill and intangibles related to Unitemp acquisition	-	-	1.7	-	-
Acquisition related contingent consideration accounted for as compensation	-	-	5.7	-	-
Loss on retirement of debt	15.5	-	-	-	-
Gain on settlement of CHS transactions	-	(0.9)	-	-	-
Secondary equity offering expenses	-	-	-	-	-
Adjusted EBITDA	\$74.4	\$83.2	\$65.3	\$43.3	\$40.7

CCI Adjusted EBITDA Reconciliation



	Historical FYE Jul 31,				LTM Aug-17
	2014	2015	2016	2017	
Net income	\$25.1	\$27.1	\$6.7	\$12.7	\$13.2
Interest expense, net	0.0	(0.0)	(0.0)	(0.0)	(0.0)
Income tax expense	0.1	1.1	0.2	0.0	0.0
Depreciation and amortization expense	2.8	2.8	2.8	2.1	2.1
(Gain)/loss on asset sale	0.3	-	(0.0)	-	-
Travel (aircraft) – actual	0.7	0.8	0.8	0.6	0.6
Related party rent – actual	2.2	2.2	2.2	2.2	2.2
Discontinued operations – Indiana	0.2	-	-	-	-
Donations	0.1	0.1	0.1	0.1	0.1
Relocation expenses	-	0.0	0.1	-	-
Edmonton renovation expenses	-	0.1	-	-	-
Hovey acquisition expenses	-	-	-	0.1	0.1
Other non-recurring expenses	-	-	-	0.0	0.0
Oakville expansion cancellation costs	-	-	-	0.1	0.1
Adjusted EBITDA	\$31.6	\$34.3	\$12.9	\$18.0	\$18.4

Note: Assumes USD/CAD exchange rate of 1.25 as of 10/10/2017

\$60mm revolving credit facility



Summary of Terms

Borrower:	Thermon Holding Corp. ("US Borrower") and Thermon Canada Inc ("Canadian Borrower")
Guarantors:	Thermon Group Holdings, Inc., Thermon Inc. and certain future material domestic subsidiaries; Canadian RC obligations will also be guaranteed by Thermon Power Solutions, Inc., Thermon Canada Services, Inc. and certain future material Canadian subsidiaries of the Canadian borrower
Facility:	\$60 million revolver ("RC")
Maturity:	2022 (5 years)
Use of proceeds:	General corporate purposes
Security:	Pari passu perfected 1st priority lien on all assets (excluding real property) of the U.S. Borrower and the U.S. guarantors with a 65% stock pledge of foreign subs; Canadian obligations will also be secured by the assets of the Canadian guarantors
RC Financial covenants:	Maximum total leverage ratio ¹ of 5.50x with step-downs to 3.75x Minimum fixed charge coverage ratio ² of 1.25x
RC opening pricing:	L + 325 bps / 50 bps undrawn; subject to a leverage-based pricing grid

¹Total outstanding indebtedness / (EBITDA)

²(EBITDAR - Unfinanced Capital Expenditures) / (Cash Interest + Scheduled Principal Payments + Cash Earnouts + Cash Taxes + Restricted Payments + Rent Expense)

