

SHIFTING ECONOMIC LANDSCAPE RESHAPES PRECISION MANUFACTURING INDUSTRY

PRECISION MANUFACTURING SECTOR UPDATE | NOVEMBER 2025



**CAPSTONE
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A close-up, high-contrast photograph of industrial machinery, likely a lathe or mill, with a metallic workpiece being machined. The image is dark and moody, with blue and grey tones, and is used as a background for the title.

Precision Manufacturing

Shifting Economic Landscape Reshapes Precision Manufacturing Industry

KEY SECTOR TAKEAWAYS

Capstone Partners' [Industrials Group](#) is pleased to share its Precision Manufacturing report. Industrial expansion has remained at the forefront of the Precision Manufacturing sector and is expected to support future merger and acquisition (M&A) activity as technology advances. Demand for precision-engineered products has continued to grow, driven by innovation in sectors such as Data Centers, Aerospace, and Medical Devices. Several key takeaways are highlighted below.

1. Sector M&A activity has fallen 9.5% YOY in year-to-date (YTD) 2025 as strategic buyers have demonstrated heightened selectivity.
2. Private equity (PE)-led transactions in the sector have remained resilient despite a weaker M&A environment, largely targeting participants with robust end market exposure.
3. Persistent macroeconomic uncertainty has continued to weigh heavily on the Precision Manufacturing sector, particularly among original equipment manufacturers (OEMs) that rely on stable demand cycles to justify new product launches and capital investments.
4. Precision manufacturing is expected to see strong demand in the near- to mid-term as vertically-integrated businesses increasingly divest and outsource operations to manage costs, clean up balance sheets, and refocus on technology stacks amid the uneasy macroeconomic backdrop.
5. Plastics have emerged as a viable substitute in many industrial applications, benefitting from the disproportionate impact of metal tariffs.
6. Many manufacturing businesses have faced near-annual macroeconomic disruptions, making it difficult to establish reliable trailing twelve-month (TTM) performance and complicating valuation efforts, particularly widening the bid-ask spread.

Capstone Partners has developed a full suite of corporate finance solutions to help privately-owned businesses and private equity firms navigate through each stage of a company's lifecycle. These solutions include financial advisory services, merger and acquisition advisory, debt advisory, equity capital financing and employee stock ownership plan (ESOP) advisory.

To learn more about Capstone's wide range of advisory services and Precision Manufacturing sector knowledge, please [contact us](#).



PRECISION MANUFACTURERS ADAPT TO CAPITAL CONSTRAINTS

Persistent macroeconomic uncertainty has continued to weigh heavily on the Precision Manufacturing sector, particularly among OEMs that rely on stable demand cycles to justify new product launches and capital investments. Inflation, breadth of interest rate cuts, and geopolitical instability have clouded sector outlook, and many OEMs have delayed or scaled back technology frameworks. This has resulted in reduced order volumes and longer sales cycles for component and tooling suppliers. Caution among players has been reflected in constrained capital spending trends, where manufacturers have increasingly prioritized cost containment and operational efficiency over expansion, unless their offerings are directly tied to high-growth verticals. Capital expenditures in the Manufacturing space have remained flat in 2025, with actual capacity utilization falling to just 53%, well below the projected 63%, according to a Wipfli survey.¹

One clear exception to this trend is the Data Center market, which has remained a bright spot amid broader softness. Demand for artificial intelligence (AI) infrastructure, machine learning (ML), cloud computing, and high-performance electronics has driven sustained investment in thermal management, enclosures, and precision components tailored to these applications. Manufacturers with exposure to data center buildouts have seen continued momentum, often outperforming peers in more cyclical or consumer-facing segments. Annualized spending on new data center construction for AI workloads reached a record \$31.5 billion in 2024, according to a Newmark report.² This drove the development pipeline to nearly 50 million square feet at the end of 2024, approximately double the volume from five years ago. Mayville Engineering's (NYSE:MEC) \$140.5 million acquisition of Accu-Fab in May 2025 has underscored this dynamic. Accu-Fab's precision sheet metal capabilities and customer relationships align with Mayville's strategy to diversify beyond traditional Industrial markets and tap into resilient demand streams. The deal reflects a broader shift in M&A strategy, where buyers have increasingly targeted niche manufacturers with exposure to durable, technology-driven sectors that offer insulation from macroeconomic volatility. This environment has also influenced how manufacturers evaluate cross-border transactions and material sourcing strategies as regulatory uncertainty evolves.



Mike Schumacher
Managing Director

"In today's capital-constrained environment, precision manufacturing leaders must rethink scale, not by expanding footprint, but by deepening capabilities. The winners will be those who invest wisely in automation, data-driven process control, and strategic partnerships to deliver more with less."

Liberation Day has taken on new meaning in the context of global trade tensions. For the Precision Manufacturing sector, tariffs have introduced a complex set of challenges and opportunities across the value chain. Upstream suppliers of raw materials, particularly metals, have faced steep import duties, driving up costs and squeezing margins. Midstream fabricators and component manufacturers have been caught between absorbing price hikes and maintaining competitiveness. Concurrently, downstream OEMs have increasingly reevaluated sourcing strategies, with some turning to reshoring or alternative materials to mitigate exposure.

After years of [lean inventory strategies](#) driven by just-in-time (JIT) logistics and supply chain optimization, businesses have reconsidered their stocking philosophies. Pandemic-era disruptions and ongoing geopolitical instability have triggered a restocking cycle, with many firms opting for higher inventory buffers to hedge against future volatility. While not all sectors have returned to pre-2020 stocking levels, there has been a noticeable shift toward more resilient inventory models. In the Precision Manufacturing sector, this has meant greater demand visibility for suppliers and a potential uptick in domestic production, as companies seek to reduce its strategic reliance on foreign inputs.



DATA ANALYTICS ENHANCE PRECISION MANUFACTURING OPERATIONS

Precision manufacturing is expected to see strong demand in the near- to mid-term as vertically-integrated businesses increasingly divest and outsource manufacturing operations to manage costs, clean up balance sheets, and refocus on technology stacks amid the uneasy macroeconomic backdrop. Manufacturing complexity has grown directionally with increasing quality, personalization, and customization demands from various end markets. Proposed tariffs have made it imperative for contract manufacturers—and companies with in-house manufacturing capabilities—to streamline production methods and protect margins. Operational efficiency, scale, and cost synergies will likely serve as key deal rational for precision manufacturing M&A in the current economic landscape.

Data analytics has proven to be a powerful tool helping precision manufacturing companies improve operational efficiency, identify opportunities for cost savings, and optimize business value. This can be a critical competitive advantage for companies that provide contract manufacturing services, especially in the Aerospace & Defense and Industrials industries, which have been characterized by fast-changing customer preferences, regulatory complexity, and high product quality expectations. Accelerating consolidation of contract manufacturers and PE interest in roll-up opportunities has further incentivized data analytics performance improvement initiatives which can support valuations and exit readiness.

Key Data-Enabled Performance Improvement Value Adds For Sector Participants

- **Operational Efficiency & Process Optimization**
 - Use real-time data from manufacturing systems to monitor uptime, downtime, and throughput
 - Track input-output ratios to identify inefficiencies and provide yield analysis data
 - Use machine learning (ML) to predict equipment failure and engage in proactive maintenance
- **Quality Control & Compliance Measures**
 - Analyze quality metrics to detect variations and prevent defects
 - Use analytics to quickly trace and isolate product defects in specific batches
 - Automate and monitor compliance with regulatory requirements and industry standards
- **Demand Forecasting & Inventory Management**
 - Analyze customer order history, market trends, and seasonality to predict future demand and help adjust production accordingly
 - Optimize raw material purchasing and finished goods inventory to reduce holding costs
- **Supplier & Raw Material Analysis**
 - Evaluate delivery times, quality of materials, and cost fluctuations
 - Analyze raw material usage and identify cheaper or higher-quality alternatives

Capstone Case Study: Data Analytics Results in \$1.7 Million of Recurring Revenue Savings

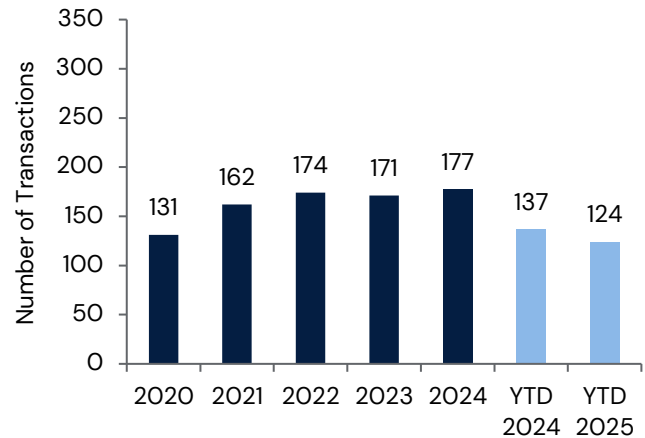
Capstone recently helped a manufacturing client address the paradoxical issue of falling output despite an increase in staff hours and a build-up in inventories. Using data analytics, along with other performance improvement tools, Capstone's team was able to identify and address multiple operational and process inefficiencies that resulted in \$1.7 million of confirmed annual recurring savings for the business. Through the data-driven approach, the client transformed its manufacturing operations, eliminated inefficiencies, reduced costs, and positioned the company for sustainable growth. The newly implemented tools and processes ensured that management had full visibility of performance, enabling data-driven decision-making for continued success.

To learn more about [Capstone's Financial Advisory Services \(FAS\) Group](#), their capabilities, and whether they can help you reach your business goals, [contact us](#).

M&A VALUATIONS REMAIN HEALTHY DESPITE LOWER DEAL VOLUME

M&A volume in the Precision Manufacturing sector has totaled 124 transactions announced or completed YTD, marking a YOY decline of 9.5%. While TTM volatility has suppressed deal flow compared to the prior year period, pent-up demand for M&A from sellers has remained healthy in YTD 2025. Many small- and mid-sized companies have demonstrated strong growth trajectories, often outpacing mature peers. However, buyer appetite for these targets has softened in the current market due to increased diligence around scalability and a preference for assets with proven resilience. Additionally, larger, more attractive targets have either already been consolidated or are delaying exits in hopes of more favorable market conditions. These dynamics have created a challenging environment for M&A in the Precision Manufacturing sector, keeping activity below historical norms.

Precision Manufacturing M&A Declines Amid Elevated Buyer Selectivity



Year to date (YTD) ended September 17
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Many strategic buyers have prioritized internal optimization and organic growth over acquisitions. As a result, strategics have accounted for 50.8% of sector deals to date, down from YTD 2024 (59.1%) and marking the smallest composition since 2022 (45.4%). Public and private strategic activity has fallen 33.3% and 17.5% YOY to 16 and 47 deals in YTD 2025, respectively. However, PE buyers have taken advantage of strategic hesitance and have demonstrated a greater willingness to transact. Platform acquisitions have risen 16.7% YTD, or by four deals, as sponsors have increasingly targeted technology-enabled participants with end market growth potential. PE add-on acquisitions have increased 3.1% YOY as small- and mid-sized players have been rolled up to enhance portfolio companies' geographic reach, tariff insulation, and positioning for long-term operational efficiency.

Precision Manufacturing Valuation Analysis

Valuation Method	Implied Average Revenue Multiple	Implied Average EBITDA Multiple
Precision Manufacturing Sector M&A Transactions (2021-YTD)	1.9x	9.4x
Industrials Industry M&A Transactions (2021-YTD)	1.9x	10.4x

Year to date (YTD) ended September 17
Source: Capital IQ, FactSet, PitchBook, and Capstone Partners

Valuation Insight

M&A multiples in the Precision Manufacturing sector have averaged a robust 1.9x EV/Revenue from 2021 through YTD, remaining on pace with the broader Industrials industry. Over the same period, EBITDA multiples in the sector have averaged 9.4x, lagging behind the industry average by a full turn. Limited deal flow in 2025 has created scarcity value for high-quality assets, with multiples for resilient targets trading well above historical norms, especially in sectors with durable demand visibility. The Aerospace Components segment has led sector M&A pricing, averaging 12.2x EV/EBITDA and outpacing the Contract Manufacturing (10.0x) and Diversified Industrials (8.5x) segments.



TARIFF-INDUCED MATERIAL SUBSTITUTION FUELS PLASTICS ADOPTION

Plastics have emerged as a viable substitute in many industrial applications, benefitting from tariffs’ disproportionate impact on metals. The Plastic substrate, with its lightweight, durable characteristics and ability to be engineered for high-performance environments, offers a compelling alternative for components traditionally made from aluminum or steel. This shift has been particularly relevant in Aerospace, Automotive, and Electronics end markets, where weight and corrosion resistance are critical. “By and large, the Plastics industry’s exposure to trade is only about 20%. If there is a need for import substitution because tariff rates are so high it’s cost prohibitive, I am confident that domestic manufacturing could actually step in,” noted Perc Pineda, Chief Economist at the Plastics Industry Association, according to a July Supply Chain Dive article.³ This underscores the strategic advantage plastics hold, not just in cost and performance, but also in supply chain resilience.

This strategic pivot has also fueled a wave of M&A activity in 2025, as metals manufacturers and distributors look to vertically integrate and expand advanced plastic domestic production capabilities. M&A has continued to underscore the imperative for key industry players in this restocking cycle to gain strategic control, operational resilience, and long-term positioning in a tariff-sensitive global landscape.

Notable Plastics M&A Deals



In July 2025, UFP Technologies (Nasdaq:UFPT) acquired Techno Plastics (TPI), expanding its capabilities in tight-tolerance film components and thermoplastic molding for the Medical Device market (\$4.5 million, 0.5x EV/Revenue, 4.5x EV/EBITDA). TPI provides expertise in precision injection molding and engineering for medical components, strategically supporting UFP’s robotic-assisted surgery solutions.



Bain Capital acquired a 51% stake in Milacron for \$379.2 million, equivalent to 0.7x EV/Revenue and 5.9x EV/EBITDA (February 2025). Milacron specializes in highly engineered plastic processing equipment and services, serving Construction, Automotive, Packaging, and Medical sectors. Bain aims to accelerate Milacron’s growth amid rising demand for domestic manufacturing and supply chain resilience.

Leading Buyers Targeting Plastics Precision Manufacturers

Capstone has tracked buyers that have been highly acquisitive in the Plastics segment, particularly those that have completed notable transactions. For more information on relevant buyers, please reach out to Managing Director [Mike Schumacher](#).

Strategic Buyers



Financial Buyers



Source: Capstone Partners



NOTABLE PRECISION MANUFACTURING M&A TRANSACTIONS



In July 2025, IDEX (NYSE:IEX) acquired Micro-LAM for an enterprise value of \$102 million. Micro-LAM manufactures laser-assisted machining solutions, ultra-precision diamond tools, and custom optics. The Michigan-based company maintains a manufacturing presence in New Hampshire and the U.K., with its 603 OPTX and M10 Edge subsidiaries. “Together we can scale faster, innovate deeper, and deliver greater value to the industries and customers who trust us to serve their needs,” said Deepak Menon, CEO and Founder of Micro-LAM, in a press release.⁴



CORE Industrial Partners-backed PrecisionX Group acquired Hudson Technologies, a manufacturer of mission-critical deep drawn metal components, for an undisclosed sum in July 2025. The acquisition strengthens PrecisionX’s position as a U.S.-based provider of high-reliability metal components in the Aerospace & Defense and Medical Device industries. Hudson joins subsidiaries MSK, Ditron, National Manufacturing, GEM Manufacturing, and Coining MFG, adding advanced engineering expertise, an expanded production footprint, and increased capacity.



INDUS Holding’s (XTRA:INH) subsidiary M. Braun Inertgas-Systeme acquired Metfab Engineering for an undisclosed sum in June 2025. Massachusetts-based Metfab offers precision metal fabrication, machining, and stainless-steel solutions. “Our Empowering Mittelstand strategy is centered on further developing our portfolio companies in international growth markets. In North America, in particular, we aim to continue growing both organically and inorganically,” said Axel Meyer, INDUS Board member, according to a deal press release.⁵



In April 2025, MISUMI USA acquired Fictiv for an enterprise value of \$350 million. Fictiv is a global manufacturing and supply chain technology company. The combined entity accelerates AI deployment through digitally native tools built on top of physical infrastructure to create real-world products in an efficient, scalable way. “It’s a future where high-quality production, intelligent logistics, and resilient supply chains empower innovators to move faster, scale smarter, and build with confidence,” said Mitsunobu Yoshida, Senior Corporate Officer at MISUMI, in a press release.⁶



Wolfgang Zahner
Director

“Manufacturers with exposure to U.S. markets and limited supply chain fragility are being rewarded by the market. While AI-related end-markets are commanding high double-digit EBITDA multiples—even for sub-\$10 million EBITDA businesses—more traditional industrials are trading at more reasonable levels. That said, scarcity of high-quality targets has led to increased attention on project-oriented businesses, which are now receiving more serious consideration than in prior cycles.”



SELECT M&A TRANSACTIONS

Date	Target	Acquirer	Target Business Description	Enterprise Value (mm)	EV / LTM Revenue	EBITDA
09/02/25	Groupe LAR	ADF Group (TSX:DRX)	Designs mechanical welded assemblies and lifting equipment.	\$13.7	0.2x	-
08/25/25	Precision Thermoplastic	FMT	Manufactures injection-molded plastic products.	-	-	-
08/19/25	SBS Precision Sheet Metal	Appian Way Capital Partners	Produces precision sheet metal fabrication and machining.	-	-	-
07/30/25	Micro-LAM	IDEX (NYSE:IEX)	Manufactures laser-assisted machining, ultra-precision diamond tools and custom optics.	\$102.0	-	-
07/18/25	AGA Precision Systems	PMGC Holdings (Nasdaq:ELAB)	Operates as a computer numerical control (CNC) machining company.	\$0.7	0.5x	-
07/17/25	Techno Plastics Industries	UFP Technologies (Nasdaq:UFPT)	Manufactures precision thermoplastic injection-molded components.	\$4.5	0.5x	4.5x
07/16/25	Hudson Technologies	PrecisionX Group	Develops deep-drawn metal enclosures, cases, stampings, and metal diaphragms.	-	-	-
06/23/25	Fossil Industries	Manufacturing Corp. of America	Provides sheet and tube laser cutting, bending and fabrication services.	-	-	-
06/11/25	RB Industrial Manufacturing	36 South Capital Advisors	Offers CNC turning, grinding, milling, welding, and assembling precision components.	-	-	-
06/05/25	Metfab Engineering	M. Braun	Provides precision metal fabrication and machining.	-	-	-
05/27/25	Accu-Fab	Mayville Engineering (NYSE:MEC)	Operates as a contract manufacturer of metal solutions.	\$140.5	~2.3x	~10.0x
05/22/25	New England Expert Technologies	Colt CZ Group (SEP:CZG)	Manufactures close tolerance and precision-machined components and assemblies.	\$59.5	-	-
04/17/25	Fictiv	MISUMI USA	Operates a manufacturing platform that enables users to design, develop, and deliver fabricated parts.	\$350.0	~4.8x	-
03/26/25	Victory Machine & Fab	Heartland Growth Partners	Offers custom metal fabrication and precision machining services.	-	-	-
03/24/25	Votaw Precision Technologies	Cerberus Capital Management	Designs precision components, fixtures, tools, ground support equipment, pressure vessels, and other items.	-	-	-
03/19/25	Clearwater Engineering	Precision Aerospace Holdings	Manufactures aerospace equipment.	-	-	-
03/10/25	United Services Group	Pelican Energy Partners	Provides full-service welding, machining, and fabrication.	CF	CF	CF
02/05/25	Milacron	Bain Capital	Supplies plastics processing equipment, melt delivery and control systems, and fluid technologies.	\$379.2	0.7x	5.9x
02/05/25	Basmat	Standex (NYSE:SXI)	Manufactures complex sheet metal aerospace components.	\$56.7	-	-
01/31/25	Aero-Plastics	Trelleborg Sealing Solutions US	Develops plastics and interior segments for the Aerospace industry.	-	-	-
01/03/25	Alkar Steel And Processing	Lapham-Hickey Steel	Manufactures and markets sheets made of steel.	-	-	-

Mean	\$123.0	1.5x	6.8x
Median	\$59.5	0.6x	5.9x

Blue indicates a Capstone advised transaction; CF=confidential
Source: Capital IQ, PitchBook, FactSet, and Capstone Partners

PRECISION MANUFACTURING EQUITY FINANCING OVERVIEW

The Precision Manufacturing sector has received strong interest from equity investors, attracted to companies with specialized offerings, value-added services, and manufacturing capacity growth potential. Equity financing investors have increasingly targeted sector participants with exposure to high-growth end markets including Aerospace, Healthcare, and Technology.

NOTABLE EQUITY FINANCING ROUNDS



\$115.8 Million
PE Growth
September 2025

In September 2025, Metals Fabrication Company (MFC) secured \$115.8 million in growth funding, with Falcon Investments leading the round. The company specializes in structural steel solutions, offering a full suite of services including pre-construction planning, schedule-driven execution, quality assurance, value-added services, and precision machining. As a result of the raise, MFC underwent a full recapitalization.

HADRIAN

\$260 Million
Series C
July 2025

Hadrian raised \$260 million in Series C funding for a post-money valuation of \$802 million, led by Founders Fund and Lux Capital (July 2025). Existing investors Construct Capital and 137 Venture participated in the round, supported by a suite of new investors including Andreessen Horowitz. This investment backs ~300,000 square feet worth of new manufacturing and research and development space, according to a press release.⁷



\$31 Million
Series B
February 2025

Mutlibeam, a developer of e-beam lithography (EBL) technology, secured \$31 million in Series B funding in February 2025, bringing the post-money valuation to \$137 million. This round was led by Onto Innovation (NYSE:ONTO) and Lam Capital. The funds will be used to accelerate development of its next-gen EBL platform and applications for silicon innovators.



\$56.5 Million
Series B1
February 2025

In February 2025, Fabric8Labs raised \$56.5 million in Series B1 financing for a post-money valuation of \$315 million. The round was led by Masco Ventures and New Enterprise Associates. New investor TGVP and other undisclosed investors also participated in the round. The infusion of capital will be used to scale the company's electromechanical additive manufacturing (EMAC) technology.

EQUITY CAPITAL MARKETS GROUP

The Equity Capital Markets Group focuses on raising equity capital financing for growth-oriented companies and is active in the Precision Manufacturing sector. Our team works closely with our Industrials Group to help our clients secure equity capital to fund growth initiatives, recapitalize the balance sheet (often including shareholder liquidity), and to finance M&A transactions. Capstone's Equity Capital Markets Group is currently in market with **Project Thunderbolt**—a manufacturer of mission-critical precision parts, components, and assemblies for leading aerospace, defense, medical, clean energy, and technology companies.

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PUBLIC COMPANY DATA BY SEGMENT

AEROSPACE COMPONENTS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	09/24/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Barnes Group Inc.	\$33.57	93.0%	\$58,963.9	\$67,368.0	\$13,824.0	\$7,309.0	52.9%	4.9x	9.2x
Curtiss-Wright Corporation	\$511.34	96.8%	\$19,524.8	\$20,322.5	\$3,305.5	\$796.5	24.1%	NM	25.5x
HEICO Corporation	\$319.97	94.4%	\$38,866.6	\$41,561.0	\$4,289.3	\$1,197.9	27.9%	NM	NM
Howmet Aerospace Inc.	\$193.58	99.6%	\$78,037.2	\$80,975.2	\$7,721.0	\$2,187.0	28.3%	NM	NM
Magellan Aerospace Corporation	\$12.24	86.0%	\$699.5	\$709.6	\$714.8	\$80.2	11.2%	1.0x	8.8x
Spirit AeroSystems Holdings, Inc.	\$38.89	91.9%	\$4,566.4	\$9,635.8	\$6,278.8	NM	NA	1.5x	NM
TransDigm Group Incorporated	\$1,299.37	80.0%	\$73,219.9	\$95,491.9	\$8,580.0	\$4,390.0	51.2%	NM	21.8x
Woodward, Inc.	\$239.08	89.4%	\$14,336.7	\$14,853.5	\$3,426.3	\$602.5	17.6%	4.3x	24.7x
							Mean	30.5%	2.9x
							Median	27.9%	2.9x
							Harmonic Mean	23.6%	1.9x

EV = enterprise value; LTM = last twelve months
\$ in millions, except per share data
NM = Not Meaningful

CONTRACT MANUFACTURING

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	09/24/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
Benchmark Electronics, Inc.	\$39.58	75.3%	\$1,421.3	\$1,487.0	\$2,588.7	\$171.3	6.6%	0.6x	8.7x
Celestica Inc.	\$257.62	98.5%	\$29,634.2	\$30,323.9	\$10,587.2	\$962.8	9.1%	2.9x	NM
Flex Ltd.	\$59.33	99.3%	\$22,268.0	\$24,293.0	\$26,074.0	\$2,047.5	7.9%	0.9x	11.9x
Jabil Inc.	\$225.28	95.0%	\$24,176.8	\$26,043.8	\$28,514.0	\$2,192.3	7.7%	0.9x	11.9x
Plexus Corp.	\$145.34	84.1%	\$3,922.3	\$3,867.2	\$4,025.2	\$301.9	7.5%	1.0x	12.8x
							Mean	7.8%	1.2x
							Median	7.7%	0.9x
							Harmonic Mean	7.7%	0.9x

Source: Capital IQ and Capstone Partners as of September 24, 2025



PUBLIC COMPANY DATA BY SEGMENT (CONTINUED)

DIVERSIFIED INDUSTRIALS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	09/24/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
AMETEK, Inc.	\$186.17	93.9%	\$42,996.7	\$44,575.7	\$6,980.2	\$2,301.2	33.0%	6.4x	19.4x
Atlas Copco AB	\$17.00	80.2%	\$79,801.2	\$81,308.0	\$18,196.1	\$4,675.4	25.7%	4.5x	17.4x
Enovis Corporation	\$31.26	62.7%	\$1,786.8	\$3,210.3	\$2,189.6	\$389.1	17.8%	1.5x	8.3x
ESCO Technologies Inc.	\$211.90	96.2%	\$5,472.3	\$5,984.7	\$1,123.9	\$237.9	21.2%	5.3x	25.2x
Illinois Tool Works Inc.	\$259.56	93.0%	\$75,661.7	\$83,811.7	\$15,790.0	\$4,600.0	29.1%	5.3x	18.2x
Lincoln Electric Holdings, Inc.	\$233.66	93.8%	\$13,040.0	\$14,050.2	\$4,098.9	\$817.7	20.0%	3.4x	17.2x
Melrose Industries PLC	\$8.00	84.1%	\$10,117.9	\$12,368.3	\$4,721.2	\$1,163.2	24.6%	2.6x	10.6x
NN, Inc.	\$2.21	47.3%	\$111.2	\$420.3	\$433.7	\$31.4	7.2%	1.0x	13.4x
RBC Bearings Incorporated	\$378.54	90.9%	\$11,897.4	\$12,745.7	\$1,666.0	\$508.0	30.5%	7.7x	25.1x
Sandvik AB	\$27.63	98.7%	\$34,661.9	\$39,670.6	\$12,772.5	\$2,884.4	22.6%	3.1x	13.8x
TriMas Corporation	\$38.65	95.8%	\$1,570.8	\$2,035.0	\$973.8	\$145.3	14.9%	2.1x	14.0x
Mean							22.4%	3.9x	16.6x
Median							22.6%	3.4x	17.2x
Harmonic Mean							19.0%	2.7x	14.9x

SPECIALTY INDUSTRIALS

Company	Price	% 52 Wk	Market	Enterprise	LTM			EV / LTM	
	09/24/25	High	Cap	Value	Revenue	EBITDA	Margin	Revenue	EBITDA
ATI Inc.	\$77.01	80.1%	\$10,614.5	\$12,299.5	\$4,508.7	\$761.1	16.9%	2.7x	16.2x
Carpenter Technology Corporation	\$233.39	80.2%	\$11,634.5	\$12,057.3	\$2,877.1	\$647.4	22.5%	4.2x	18.6x
MSC Industrial Direct Co., Inc.	\$88.92	94.3%	\$4,950.7	\$5,463.4	\$3,743.6	\$439.7	11.7%	1.5x	12.4x
Park-Ohio Holdings Corp.	\$20.66	59.9%	\$288.0	\$956.9	\$1,611.5	\$142.2	8.8%	0.6x	6.7x
Standex International Corporation	\$202.47	93.8%	\$2,443.5	\$2,970.5	\$790.1	\$172.3	21.8%	3.8x	17.2x
Worthington Industries, Inc.	\$53.29	75.2%	\$2,655.1	\$2,834.9	\$1,200.2	\$271.2	22.6%	2.4x	10.5x
Mean							17.4%	2.5x	13.6x
Median							19.3%	2.5x	14.3x
Harmonic Mean							15.3%	1.6x	12.0x

Source: Capital IQ and Capstone Partners as of September 24, 2025



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David is a Managing Director and Co-Head of Capstone's Industrials Group with 30+ years of experience in middle market investment banking. He has been the lead banker in over 250 M&A transactions involving both domestic and foreign corporate buyers, as well as leveraged recaps with private equity sponsors. His areas of focus include manufacturing and industrials with particular emphasis in packaging, chemicals, and environmental health and safety. Prior to Capstone Partners, David managed the Western region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. His achievements in the investment banking industry have gained him national recognition by the M&A Advisor.

**Ted Polk**

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Ted Polk is a Managing Director and Co-Head of Capstone's Industrials Group. He has over 25 years of experience providing advisory services across a variety of industries and specializes in working with businesses that provide tech-enabled products and services to Industrial and Government-related markets. Prior to joining Capstone in 2010, Ted ran the Corporate Finance practice in the Central region for Morgan Stanley Smith Barney's Capital Strategies Group and its predecessor, Citi Capital Strategies. Earlier in his career, he also provided valuation advisory services for an entity now owned by Duff & Phelps and was a lender to the utility industry in the Corporate Banking Group at The Bank of New York and its predecessor, Irving Trust Company. Ted is an active public speaker on the topic of business exits and recapitalizations of privately owned businesses and is a frequent recipient of M&A industry awards for his excellence in transaction advisory services.

**Mike Schumacher**

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Mike Schumacher is a Managing Director and joined Capstone Partners in January 2017 from a private merchant bank that he co-founded in 2014, where he served as Head of Advisory Services. Over the course of Mr. Schumacher's 25-year investment banking career, he has advised, evaluated, and worked with companies and financial sponsors across various industries and sizes. Mr. Schumacher has completed transactions totaling over \$10 billion in value, including debt, equity and strategic advisory. His sector expertise is in the Packaging Sector as well as the Metals & Metals Processing value chain. Mr. Schumacher has covered the Light Industrials space for 14 years at middle market investment banks. Previously, Mr. Schumacher was with Morgan Stanley, where he served as a Vice President focusing on Heavy Industrials in North America as well as Asia. Mr. Schumacher started his career with Bear Stearns (n.k.a., J.P. Morgan) in equity research and debt capital markets in New York and Hong Kong.

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Wolfgang is a Director in Capstone's Industrials Investment Banking Group, specializing in Engineered Products with a focus on Flow Control and Value-Added Distribution. He brings a diverse background of leadership and industry experience in manufacturing, supply chain, finance, and military operations to his team. At Capstone, his M&A experiences include a variety of industries including Flow Control, Manufacturing, Renewable Energy, and Industrial Operations. Prior to joining Capstone, Wolfgang was an associate at General Electric's Corporate Audit Staff with roles in the Oil & Gas, Transportation, and Power businesses. He also served as an Explosive Ordnance Disposal Officer in the US Air Force as a Captain, with two deployments to Afghanistan and Kuwait in support of Operation Enduring Freedom and Operation Iraqi Freedom.

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Neve serves as a Market Intelligence Analyst at Capstone Partners covering the Industrials industry. Prior to joining the firm's Market Intelligence Team, Neve was an intern at the Bank of New York Mellon and Gray Private Wealth. Neve graduated with a Bachelor's of Science degree in Finance from Bentley University.

FIRM AWARDS & ACCOLADES

Capstone Partners is consistently recognized as an elite middle market firm by multiple leading industry organizations. This has afforded our clients with immediate market credibility in the acquirer and investor communities. From 2016 to 2024, Capstone has received 22 "investment banking firm of the year" awards from organizations such as The M&A Atlas Awards, The M&A Advisor, M&A Today, and ACQ5. A sampling of Capstone's recent awards is shown below.



FIRM TRACK RECORD

Capstone's Industrials Group maintains an active presence in the middle market with Precision Manufacturing being an important vertical within our focus. This market presence allows Capstone to provide precision manufacturers with up-to-date market data and access to key decision-makers among the industry's most active acquirers and investors. A sampling of Capstone's closed and active deal in the space is outlined below.

 <p>CAPSTONE PROVIDED FINANCIAL ADVISORY SERVICES</p>	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>a portfolio company of</p>   <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 
 <p>A subsidiary of</p>  <p>HAS BEEN ACQUIRED BY</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>Sensor Concepts Inc.</p> <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	 <p>HAS BEEN ACQUIRED BY</p> 
 <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	 <p>HAS BEEN ACQUIRED BY</p> 	 <p>"We Take It Personally"</p> <p>HAS BEEN ACQUIRED BY</p>  <p>a portfolio company of</p> 	 <p>HAS BEEN ACQUIRED BY</p>  
 <p>a portfolio company of</p>  <p>HAS BEEN ACQUIRED BY</p>  <p>BRANFORD CASTLE PARTNERS</p>	 <p>ALWAYS THINKING PROACTIVELY</p> <p>HAS COMPLETED AN OWNERSHIP TRANSITION</p>	 <p>HAS BEEN ACQUIRED BY</p>  <p>a subsidiary of</p> 	 <p>HAS BEEN ACQUIRED BY</p>  <p>INNOVATION WITH PRECISION</p> 

CAPSTONE'S PROPRIETARY RESEARCH REVEALS TOP SERVICES IN DEMAND

The stage and initiatives of a business often dictate which financial services are in demand. As the bulk of CEOs polled in Capstone's 2024 Middle Market Business Owners Survey indicated growth strategies are a priority for 2025, the lion's share (40.7%) of owners anticipate a need for growth strategy support services. Similarly, 38.1% of CEOs require equity capital advisory services to support operational initiatives and business expansion. Nearly one-third of owners require accounting and audit support to shore-up cash flows and establish financial stability. In addition, 30.2% of CEOs demonstrated an interest in accessing relevant industry research to keep up with emerging industry trends, complete competitor analyses, and track capital markets activity in their space.

Capstone has developed a full suite of [corporate finance solutions](#) to help privately owned businesses and private equity firms through each stage of the company's lifecycle, ranging from growth to an ultimate exit transaction. In addition, we developed specialty advisory practices to provide financial performance, buy-side, employee stock ownership plan (ESOP), and equity and debt services. All of these capabilities are supported by 12 industry banking groups, an active sponsor coverage group, and a dedicated Market Intelligence Team.

Top Financial Services Required by Business Owners in 2025



40.7%

Instituting a growth strategy



38.1%

Raising equity capital



32.4%

Accounting & audit support



30.2%

Accessing relevant industry research



20.2%

Raising debt capital



19.8%

Corporate restructuring

Question: Have you ever had, or do you anticipate having, a need for any of the following services?
Source: Capstone Partners' Middle Market Business Owner Survey, Rebased Sample Size (N): 278



ENDNOTES

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Common Goals. Uncommon Results.

Disclosure

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Market Presence

With a long-established U.S. footprint, together with an international partner platform, we provide clients with broad expertise and access to key market relationships on a global basis. Our presence is backed by ~200 professionals in the U.S. with 450+ professionals across 51 countries.

