

Manufacturing Quarterly Update



Industry Insights & Market Data

RECENT CMG EVENTS

- [Carter Morse & Goodrich Serves as Exclusive M&A Advisor to National Integrated Industries](#)
- [CMG Attends the 2026 AHR Expo in Las Vegas](#)
- [CMG's Ramsey Goodrich Speaks at the M&A Advisor's 2025 Future of Dealmaking Summit in New York, NY](#)
- [Carter Morse & Goodrich Presented at the 2025 HARDI Annual Conference in Las Vegas, NV](#)

MANUFACTURING SECTOR Q4 '25 HIGHLIGHTS

- Manufacturing Market Overview
- Subsector Spotlight: Building Products
- Manufacturing M&A Transaction Highlights
- Public Markets and Subsector Performance
- U.S. Key Economic Indicators

The last quarter of 2025 for M&A for manufacturing and industrial businesses continues to build momentum.

As one business owner said, "the dust is starting to settle, but there is still a lot up in the air." Overall, tariffs continue to dampen the M&A activity but there seems to be marginally more clarity going forward. Tariffs normally take a couple of years to settle in and tend to stick around despite changes in Washington administrations so perhaps we have found our 'new normal.' There seems to be consensus that the extreme volatility has subsided, at least for the moment.

Similarly, interest rates are expected to creep down slowly, so the renewed stability is calming both buyers and sellers leading to more capital expenditures being put back on the drawing board.

We are seeing an uptick in activity of manufacturers planning for M&A deals later in 2026 or early 2027 and are encouraged by the trends. We have always preached about being prepared, so we would recommend that owners start considering their options sooner rather than later. If you would like to explore options, please feel free to call!



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2025 – A year in Review: Tariffs, Technology and Trepidation

Despite great expectations, M&A was still 'on pause' for much of the year

After several predictions of a rebounding M&A market in 2025, especially given a new 'friendlier' administration in Washington, most business owners remained on the sidelines last year. Most owners kept their head down to stay focused on getting through another year of turmoil (following COVID, hyper inflation, supply chain issues, interest rates volatility, immigration, etc.) over the last few years.

Tariffs

Anyone in manufacturing knows that tariffs have been dominating the headlines with wild fluctuations from the U.S.'s most important trading allies. It was nearly impossible to keep up with it, much less make quality budgets and forecasts in the wake of such volatility, especially for those that are highly reliant on imports of raw materials or critical components from lower cost countries. Even those less dependent on direct imports, the uncertainty around cost created uncertainty. Many owners decided to 'hold off' for a while until there was more stability.



Looking ahead, it normally takes a couple of years for the dust to settle on tariffs, but there seems to be at least a bit more stability. The general consensus is that tariff are not going away any time soon (as they tend to last through different administrations) so those that have stayed on top of it (and hopefully have been able to pass on incremental costs to their customers) will be well positioned for a transaction in 2026.

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It will be a heightened area of due diligence for any buyer or investor, so prepare now for a deeper analysis and have a good risk mitigation plan in place. Companies with heavy exposure to imported inputs or fragile supply chains will be scrutinized harder, while businesses with domestic sourcing or pricing power will be more attractive and will move to the top end of the valuation spectrum.

Technology

Technology and core systems are no longer a "nice to have" in manufacturing, it is now a "need to have". Buyers are increasingly asking: how can we analyze risk and quantify opportunities? Can this company run beyond just its "tribal knowledge"? Is the data reliable? Are processes documented? Businesses with quality reporting, clean data, repeatable workflows are highly attractive. Buyers continued to 'pay up' for businesses that they felt were predictable and transferable. Those without basic data are being discounted significantly.

Artificial intelligence may seem be the next frontier, but leaders in manufacturing are implementing it now. Automating quoting processes, predicating customer service issues, analyzing quality data are all areas that are proving to be ripe for AI. (While CMG is not an expert in the space, we have several resources that may be able to help in implementing AI solutions)

2025 – A year in Review: Tariffs, Technology and Trepidation

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Trepidation

Last year was another ‘year of bolt-ons’. That means that there was still robust activity for smaller deals – volume of deals was actually quite strong, but dollar values were depressed for another year. Strategic buyers (both independent larger companies and private equity backed portfolio companies) continued to ‘pick off’ smaller synergistic additions, but the ‘platform’ deals were few and far between. “A+” companies (those with quality systems, strong management team, ability to pass on pricing and a clear defensible vision of growth) were highly valued as everyone was chasing them, but “B” and “C” companies continued to be on the sidelines.

This can be seen in the chart below from GF Data (through 3Q25) valuation on the lower end of the spectrum continued to be under their longer-term averages, but larger deals (\$100m and more) were well above their longer-term average.

TEV/EBITDA - Manufacturing (\$10M - \$250M TEV)

TEV	2003 - 2020	2021	2022	2023	2024	YTD 2025	Total	N =
10-25	5.6	6.0	6.2	5.4	6.2	5.8	5.7	815
25 - 50	6.1	6.9	7.0	6.5	6.3	6.0	6.2	678
50 -100	7.0	8.0	8.5	7.1	8.4	7.7	7.3	476
100 - 250	7.6	8.5	9.0	8.6	8.0	9.8	8.0	228
Total	6.2	7.2	7.4	6.5	7.0	6.7	6.4	
N =	1604	186	112	106	134	55		2197

Please note that N for 2003 - 2020 encompasses 18 years of activity

Source: GF Data

So Now What?

The demand from the ‘buy side’ (both strategic buyers and private equity investors) remains robust. There has been and always will be more available capital than deals to invest. Strategic buyers still need capacity, customers, and capabilities. Private equity still has mandates to deploy capital. If you’re considering a sale in 2026, planning and preparing for a transaction now will matter far more than market timing.

How to Get Ready?

- Make your earnings easy to believe. Buyers pay for confidence. That means clean financials, consistent margins, and clear explanations for add-backs. If your numbers require a long story, expect a lower valuation—or a slower process.
- Reduce owner dependence. If customers, suppliers, or employees see you as the business, buyers see risk. Start transferring relationships, documenting decisions, and empowering your management team. A business that runs without you is worth more.
- Stay on top of tariffs. Buyers don’t expect zero exposure; they expect a plan. Be ready to explain sourcing options, pricing mechanisms, customer contracts, and how you’ve managed volatility.
- Invest in “boring” technology. You do not need cutting-edge AI, but buyers expect reliable systems, accurate data, and documented processes. Boring, functional technology makes diligence faster and valuations stronger.
- Think like a buyer. If you were buying your business, what would worry you? Focus on fixing those issues before a buyer identifies them as risks.

Those businesses that have a clearly articulated growth strategy, with demonstrative and repeatable success, will be highly valued.

We expect that 2026 will see a material rebound in deal making for middle market manufacturing companies. However, this could be a bit of a double edge sword. Increased supply of sellers provides more opportunities for buyers to invest, potentially leading to lower valuations.

With that said, we expect that those that are well prepared and well represented will continue to be able to transact at the higher end of valuation ranges.

Recent Speaking Engagements

CMG was honored to present at these recent events

Family Firm Institute

October 29 – 31, Boston, MA

CMG presentation:

Focus on Legacy - Finding the Right Partner for the Next Generation of a Family Enterprise



M&A Advisor: Leadership in Dealmaking

November 19, 2025, New York, NY



2025 HARDI Conference

December 8 -11, Las Vegas, NV



CMG presentation:

M&A Update - Momentum Where It Matters



Meet the CMG Manufacturing Team at these Upcoming Events



Economic Forecast

January 7, 2026

Quinnipiac University
Hamden, CT



2026 ACG Northeast

January 25 – 27, 2026

Stowe, VT



AHR Expo 2026

February 2 – 4, 2026

Las Vegas, NV



2026 ACG Denver

February 9 – 11, 2026

Denver, CO



March 5, 2026

Boston, MA

Building Products : Secular Housing Tailwinds and Implications for M&A

By Jon Michaels, Vice President, Carter Morse & Goodrich

2025 manufacturing M&A activity unfolded against a backdrop of elevated uncertainty and heightened underwriting discipline, as buyers and sellers navigated the combined effects of higher interest rates, shifting customer purchasing behavior, persistent input cost volatility and evolving U.S. trade policy. While inflation moderated from prior-year peaks, financing costs remained structurally higher, compressing leveraged returns and prompting both strategic and financial buyers to apply greater scrutiny to valuation frameworks, capital structures, and underwriting assumptions. As a result, transaction timelines lengthened, bid-ask spreads widened, and financial buyers increasingly relied on conservative deal structures (including earn-outs and contingent consideration) to bridge uncertainty around sustainable earnings projections.



Importantly, this environment did not reduce buyer interest in manufacturing broadly, but it magnified the distinction between businesses with durable earnings profiles and those reliant on short-term or cyclical demand drivers. Buyers increasingly focused on end-market resilience, earnings visibility, and downside protection, favoring subsectors where demand fundamentals could support consistent performance through economic cycles.

Against this more cautious M&A backdrop, building products stands out as a subsector supported by durable, secular end-market fundamentals. Structural undersupply of U.S. housing, an aging housing stock, and a consumer that remains well-capitalized and creditworthy continue to support sustained investment and building products spend in the home across both repair & remodel and new construction activity.

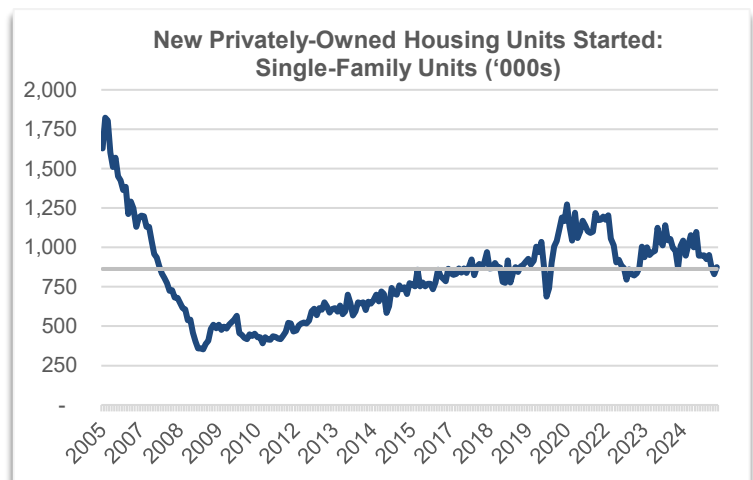
For building products manufacturers, these dynamics translate into greater demand visibility, more consistent order flow, and improved earnings durability relative to many industrial peers, attributes that have become increasingly important in a more selective underwriting environment.

The following drivers highlight the secular housing and consumer demand forces underpinning sustained investment in the home, reinforcing the long-term attractiveness of the building products sector despite elevated interest rates, tighter financing conditions, and a more disciplined M&A market.

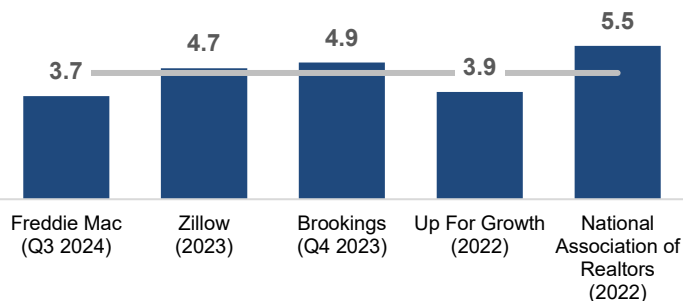
Structural Housing Undersupply Supports Sustained New Residential Construction Demand

Single-family housing starts remain below prior cycle peaks, averaging approximately ~1.0 million units annually, versus ~1.7 million units in the mid-2000s prior to the Great Financial Crisis. At the same time, the housing market is estimated to be undersupplied by ~4.5 million homes, reflecting prolonged underinvestment despite over the past decade despite a gradual recovery in construction activity.

While housing starts have stabilized below historical highs, this level of activity remains sufficient to support a steady baseline of demand for construction-linked building products, particularly those tied to single-family residential development.



Housing Shortage Estimates (Millions)



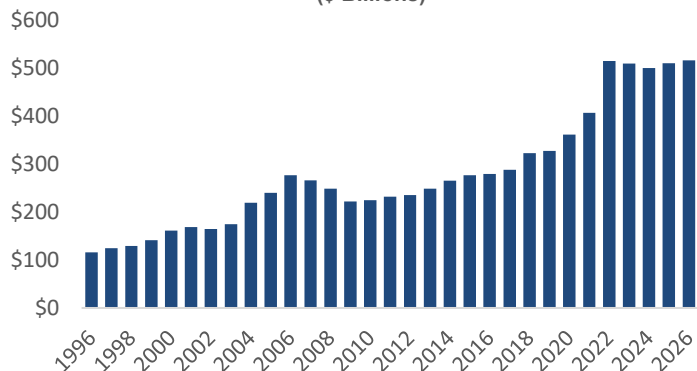
Implication: Even absent a return to prior peak construction volumes, the existing housing deficit provides manufacturers with meaningful baseline demand visibility, while giving buyers greater confidence that earnings are supported by durable end-market fundamentals rather than peak-cycle volumes.

A Large and Aging U.S. Housing Stock Sustains R&R-Driven Manufacturing Demand

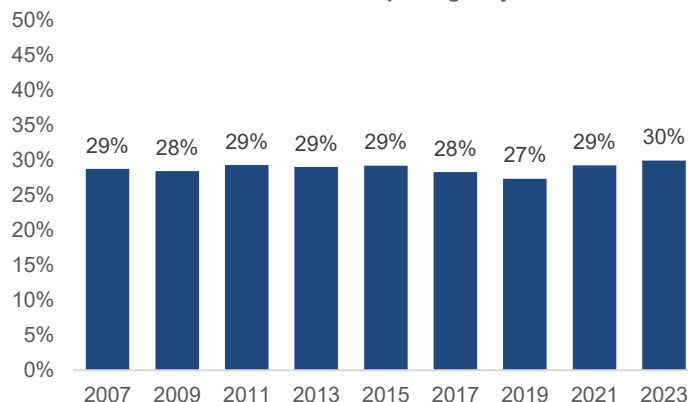
Beyond new construction, America's existing housing stock increasingly requires reinvestment, supporting manufacturers tied to replacement, upgrade, and modernization activity. Real R&R spending is estimated to exceed **\$500 billion in 2026** and has demonstrated consistent long-term growth driven by structural factors rather than short-term economic cycles.

The median age of owner-occupied homes has surpassed 40 years, increasing the need for ongoing maintenance, system replacement, and functional upgrades. Importantly, over the past two decades, **approximately 30% of U.S.** homeowners have undertaken at least one home improvement or repair project in a given year, including during recessionary periods such as the Great Financial Crisis and the recent rate-driven housing slowdown.

Homeowner Improvement & Repair Activity (\$ Billions)



% of Households Reporting Projects



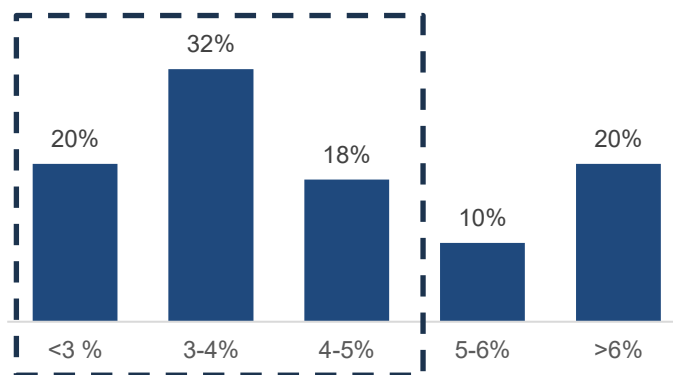
Implication: R&R-driven demand provides manufacturers with a more stable revenue base that reduces dependence on new construction volumes and supports buyer underwriting of predictable, recurring cash flows, often generating enhanced investor interest and warranting higher valuation confidence than businesses with construction-only exposure.

Mortgage Rate Lock-In Has Shifted, Not Destroyed, Housing Spend

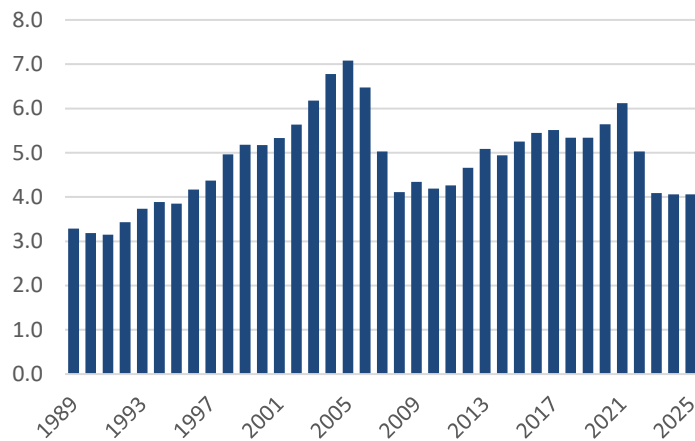
Elevated mortgage rates (currently above 6%) have clearly moderated housing transaction activity relative to prior periods. However, the impact on housing-related demand has been mitigated by a large installed base of homeowners locked into low-rate mortgages.

Approximately **70% of outstanding mortgages carry rates below 5%**, insulating most existing homeowners from higher borrowing costs. Rather than disengaging from housing altogether, homeowners have increasingly redirected spending toward investment in existing homes.

Mortgage Rate Distribution



U.S. Existing Home Sales (Millions)



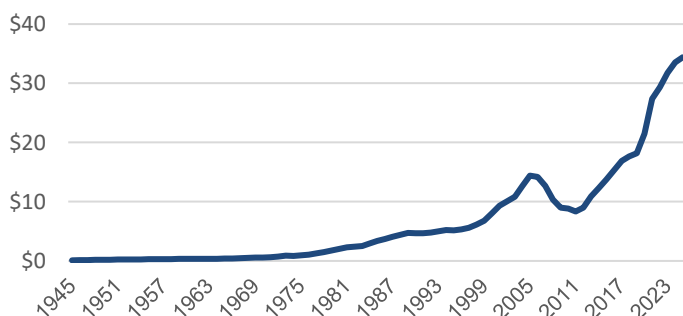
Implication: Mortgage rate lock-in has shifted housing-related spend toward reinvestment in existing homes, supporting consistent demand for manufacturers aligned with R&R activity and reducing perceived earnings risk for buyers underwriting cash flows in a higher-rate environment.

Strong Homeowner Balance Sheets Continue to Support Reinvestment in the Home

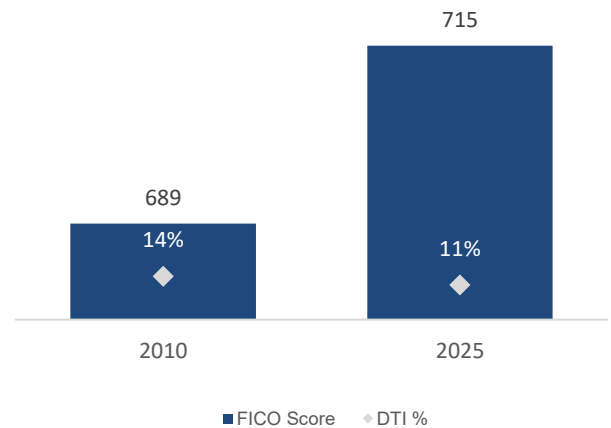
Unlike prior housing downturns, today's consumer enters this cycle with strong credit quality and manageable leverage, reinforcing the durability of housing-related investment. U.S. homeowner equity stands at more than **\$30 trillion**, providing homeowners with both confidence and financial capacity to fund home projects.

Average U.S. FICO scores remain elevated at approximately 715, while household debt-to-income ratios remain near long-term averages, indicating consumers are not meaningfully over-levered despite higher interest rates.

Homeowners' Home Equity (\$ trillions)



FICO Score & Debt-to-Income



Implication: Elevated homeowner equity and strong consumer credit profiles act as a financial backstop for housing-related spend, enhancing operating resilience for manufacturers and increasing buyer confidence that earnings can be sustained even amid macro or rate-driven volatility.

























What This Means for Building Products Manufacturers

Collectively, these dynamics support a demand profile that is less reliant on cyclical volume recovery and more anchored in necessity-driven investment, an increasingly attractive combination for manufacturing buyers prioritizing earnings durability, downside protection, and underwriting certainty.

Taken together, these forces create a uniquely supportive demand environment for building products manufacturers by combining baseline new construction demand with resilient, R&R-driven reinvestment across housing cycles. This translates into improved earnings visibility relative to more cyclical industrial sectors, greater pricing durability supported by necessity-driven demand, and more predictable cash flow profiles.

Businesses that convert these fundamentals into disciplined pricing and cost control, consistent margins across varying demand conditions, and meaningful exposure to R&R-weighted demand (versus new construction alone) are better positioned to generate greater investor confidence, command stronger valuations, and face fewer structural hurdles.

Select Manufacturing M&A Transactions

Date	Acquirer	Target	Target Description
Aerospace & Defense Deals			
Dec-25			Designs and manufactures aerostructures for commercial and military aircraft
Dec-25			Manufacturer of precision machined parts for the aerospace and defense industry
Nov-25			Designs and manufactures fastening solutions and precision-engineered components for the aerospace sector
Nov-25			Manufacturer of precision-engineered components designed for high-performance applications
Oct-25			Specializes in CNC machining, fabrication, and assembly of complex metal parts for mission-critical applications
Oct-25			Manufactures precision metal components and sub-assemblies for the aerospace and defense industries
Oct-25			Developer of aerospace systems designed for mission design, navigation, and spacecraft flight dynamics
Tool & Equipment Deals			
Dec-25			Manufacturer of industrial processing equipment
Dec-25			Designer and provider of innovative foodservice equipment for the hospitality industry
Dec-25			Manufacturer and supplier of material handling equipment
Nov-25			Manufacturer of induction heating and melting equipment
Oct-25			Manufacturer of welding equipment and fasteners

Select Manufacturing M&A Transactions

Date	Acquirer	Target	Target Description
Diversified Industrial Deals			
Dec-25	 SDI Steel Dynamics, Inc.	 NEW PROCESS	Manufacturer and supplier of specialty flat rolled steel and carbon steel products
Nov-25	 Veralto	 In-Situ	Manufacturer of water monitoring instrumentation and software
Nov-25	 ANGELES EQUITY PARTNERS	 TECHNIQUE STAMPINGS TUBING WELDING HIGH-SPEED PROTOTYPES	Manufacturer of precision industrial components serving automotive, military, and agricultural sectors
Nov-25	 KKR	 FLOWSERVE (Herringbone Gear Pump Product Line)	Manufacturer of precision engineered stainless steel pumps used in high-viscosity fluid handling, with intermittent dry-running capability
Oct-25	THE JORDAN COMPANY	 PSG POLYMER SOLUTIONS GROUP	Manufacturer of specialty additives and performance chemicals
Niche Manufacturing Deals			
Nov-25	 VANCE ST. CAPITAL	 IJT Injectech Trusted Biomedical Components	Custom manufacturer of high-precision plastic fluid management components for medical device, life science, and bioprocessing markets
Nov-25	 STONEHENGE PARTNERS	 Matthews AUTOMATION	Designing and provides advanced warehouse automation, from software to hardware, for distribution centers and manufacturing
Nov-25	 LEVITON®	 INTERNATIONAL DOCK PRODUCTS, INC.	Manufacturer of marine dock accessories and electrical pedestals
Oct-25	ALTAS	 BROADMOOR Products Inc.	Manufacturer of specialty chemicals for industrial and commercial sectors
Oct-25	 OLYMPUS PARTNERS	 STEELPRO	Manufacturer of engineered steel racking systems and structural products
Oct-25	 OneEquity	 McNICHOLS	Manufacturer of specialty metals and fiberglass products

Select Public Company Data

Aerospace and Defense

Company	Market Information		LTM Financials		Operating Metrics		TEV to LTM	
	\$ / Share	TEV	Revenue	EBITDA	Growth	EBITDA%	Revenue	EBITDA
Aerospace Aftermarket								
AAR Corp.	82.79	4,295	\$2,858	\$255	17.6%	8.9%	1.5x	14.2x
HEICO Corporation	323.59	41,734	\$4,485	\$1,228	16.3%	27.4%	9.3x	nmf
Honeywell International Inc.	\$195.09	\$149,688	\$40,670	\$9,778	7.5%	24.0%	3.7x	14.8x
TransDigm Group Incorporated	\$1,329.85	\$102,175	\$8,831	\$4,566	11.2%	51.7%	11.6x	nmf
VSE Corporation	\$172.77	\$4,427	\$1,332	\$175	67.8%	13.2%	3.3x	nmf
Mean	\$420.82	\$60,464	\$11,635	\$3,200	24.1%	25.0%	5.9x	14.5x
Median	\$195.09	\$41,734	\$4,485	\$1,228	16.3%	24.0%	3.7x	14.5x
Aerospace OEMs								
AAR Corp.	82.79	4,295	\$2,858	\$255	17.6%	8.9%	1.5x	14.2x
Bombardier Inc.	170.30	22,046	\$8,965	\$1,135	4.0%	12.7%	2.4x	18.6x
Embraer S.A.	\$16.09	\$12,348	\$7,747	\$754	31.4%	9.7%	1.6x	17.1x
Textron Inc.	\$87.17	\$18,061	\$14,237	\$1,574	1.8%	11.1%	1.3x	11.0x
Mean	\$89.09	\$14,188	\$8,452	\$930	13.7%	10.6%	1.7x	15.2x
Median	\$84.98	\$15,205	\$8,356	\$945	10.8%	10.4%	1.6x	15.6x
Commercial Aerospace								
AerSale Corporation	7.11	481	\$339	\$33	-1.6%	9.7%	1.4x	11.3x
Air Industries Group	3.07	44	\$50	\$2	-6.8%	4.0%	0.9x	14.0x
Albany International Corp.	50.70	1,834	\$1,149	\$59	-9.4%	5.1%	1.6x	nmf
Astronics Corporation	54.24	2,298	\$831	\$74	6.2%	8.9%	2.8x	nmf
ATI Inc.	114.76	17,245	\$4,583	\$773	7.7%	16.9%	3.8x	nmf
Ducommun Incorporated	95.13	1,640	\$806	\$102	3.2%	12.6%	2.0x	14.6x
General Electric Company	308.03	333,935	\$43,950	\$11,264	17.7%	25.6%	7.6x	nmf
Hexcel Corporation	73.90	6,549	\$1,876	\$321	-0.5%	17.1%	3.5x	19.5x
Howmet Aerospace Inc.	205.02	85,175	\$7,975	\$2,245	9.7%	28.2%	10.7x	nmf
Rolls-Royce Holdings plc	15.48	128,123	\$26,768	\$4,775	9.6%	17.8%	4.9x	nmf
RTX Corporation	183.40	282,520	\$85,988	\$14,462	8.8%	16.8%	3.3x	19.0x
Safran SA	349.18	144,192	\$34,500	\$6,855	14.5%	19.9%	4.2x	nmf
The Boeing Company	217.12	198,463	\$80,757	-\$6,154	10.2%	-7.6%	2.5x	nmf
Mean	\$129.01	\$92,500	\$22,275	\$2,678	5.3%	13.5%	3.8x	15.7x
Median	\$95.13	\$17,245	\$4,583	\$321	7.7%	16.8%	3.3x	14.6x
Diversified								
Curtiss-Wright Corporation	551.27	21,236	\$3,376	\$771	9.5%	22.8%	6.3x	nmf
Lisi S.A.	62.35	3,468	\$2,272	\$275	9.4%	12.1%	1.5x	11.7x
Magellan Aerospace Corporation	\$13.51	\$789	\$723	\$79	8.8%	10.9%	1.1x	9.5x
Moog Inc.	\$243.55	\$8,786	\$3,861	\$506	7.0%	13.1%	2.3x	16.3x
RBC Bearings Incorporated	\$448.43	\$15,160	\$1,723	\$517	8.3%	30.0%	8.8x	nmf
Senior plc	\$2.62	\$1,341	\$1,352	\$110	17.0%	8.1%	1.0x	10.6x
SIFCO Industries, Inc.	\$5.58	\$58	\$85	\$5	6.5%	6.0%	0.7x	8.5x
Woodward, Inc.	\$302.32	\$18,566	\$3,567	\$609	7.3%	17.1%	5.2x	nmf
Mean	\$203.70	\$8,675	\$2,120	\$359	9.2%	15.0%	3.4x	11.3x
Median	\$152.95	\$6,127	\$1,997	\$390	8.6%	12.6%	1.9x	10.6x
Mean - All	\$192.24	\$54,366	\$13,284	\$1,913	10.6%	15.4%	3.7x	14.0x
Median - All	\$104.95	\$13,754	\$3,471	\$511	8.8%	12.9%	2.6x	14.2x

All data as of 12/31/25, \$ in millions, TEV - Total Enterprise Value; LTM - Last Twelve Months

Source: Capital IQ

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Select Public Company Data

Tools & Equipment, Diversified Industrial, and Niche Manufacturing

Company	Market Information		LTM Financials		Operating Metrics		TEV to LTM	
	\$ / Share	TEV	Revenue	EBITDA	Growth	EBITDA%	Revenue	EBITDA
Tools & Equipment								
Dover Corporation	195.24	28,296	\$7,923	\$1,765	2.6%	22.3%	3.6x	15.2x
Illinois Tool Works Inc.	246.30	79,471	\$15,883	\$4,593	-0.4%	28.9%	5.0x	17.1x
Parker-Hannifin Corporation	878.96	120,782	\$20,030	\$5,207	0.2%	26.0%	6.0x	nmf
Snap-on Incorporated	344.60	17,714	\$5,115	\$1,394	0.2%	27.3%	3.5x	12.4x
Stanley Black & Decker, Inc.	74.28	18,287	\$15,166	\$1,492	-1.4%	9.8%	1.2x	10.2x
The Middleby Corporation	148.67	9,407	\$3,880	\$798	0.3%	20.6%	2.4x	11.2x
Mean	\$314.68	\$45,659	\$11,333	\$2,542	0.3%	22.5%	3.6x	13.2x
Median	\$220.77	\$23,292	\$11,545	\$1,629	0.2%	24.1%	3.5x	12.4x
Diversified Industrial								
Carlisle Companies Incorporated	319.86	15,112	\$5,015	\$1,210	0.1%	24.1%	3.0x	12.1x
CSW Industrials, Inc.	0.00	4,966	\$965	\$241	14.9%	25.0%	5.1x	19.4x
Johnson Controls International plc	119.75	84,021	\$23,596	\$3,837	2.8%	16.3%	3.6x	19.2x
Park-Ohio Holdings Corp.	20.94	951	\$1,593	\$116	-3.9%	7.3%	0.6x	6.9x
RBC Bearings Incorporated	448.43	15,160	\$1,723	\$517	8.3%	30.0%	8.8x	nmf
Standex International Corporation	217.28	3,153	\$837	\$169	18.5%	20.2%	3.8x	17.1x
Worthington Enterprises, Inc.	51.57	2,727	\$1,254	\$125	7.4%	10.0%	2.2x	9.9x
Mean	\$168.26	\$18,013	\$4,997	\$888	6.9%	19.0%	3.9x	14.1x
Median	\$119.75	\$4,966	\$1,593	\$241	7.4%	20.2%	3.6x	14.6x
Niche Manufacturing								
Carrier Global Corporation	52.84	55,749	\$22,058	\$3,650	1.9%	16.5%	2.5x	13.6x
Flowserve Corporation	69.38	9,717	\$4,687	\$684	3.2%	14.6%	2.1x	12.6x
Otis Worldwide Corporation	87.35	41,826	\$14,310	\$2,541	0.7%	17.8%	2.9x	15.4x
Spirax Group plc	91.79	7,772	\$2,275	\$509	0.1%	22.4%	3.5x	14.9x
The Timken Company	84.13	7,813	\$4,544	\$787	-1.0%	17.3%	1.7x	9.5x
Watts Water Technologies, Inc.	276.02	8,945	\$2,354	\$510	4.2%	21.7%	3.8x	16.8x
Mean	\$110.25	\$21,970	\$8,371	\$1,447	1.5%	18.4%	2.8x	13.8x
Median	\$85.74	\$9,331	\$4,616	\$735	1.3%	17.5%	2.7x	14.3x
Mean - All	\$196.18	\$27,993	\$8,064	\$1,587	3.1%	19.9%	3.4x	13.7x
Median - All	\$119.75	\$15,112	\$4,687	\$798	0.7%	20.6%	3.5x	13.6x

All data as of 12/31/25, \$ in millions, TEV - Total Enterprise Value; LTM - Last Twelve Months

Source: Capital IQ

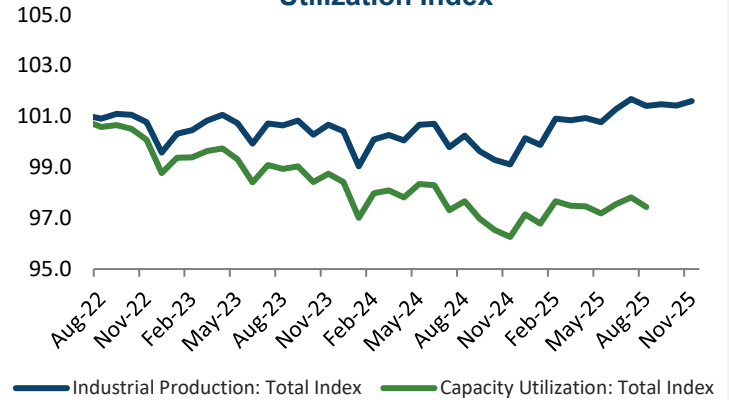
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Key Economic Indicators

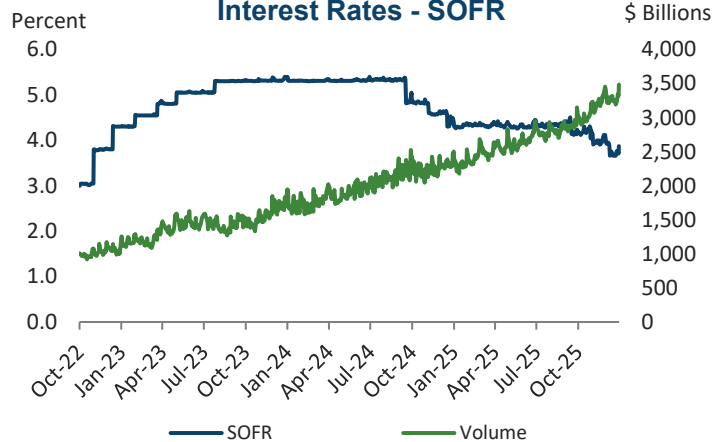
Monthly PPI : Total Manufacturing Industries



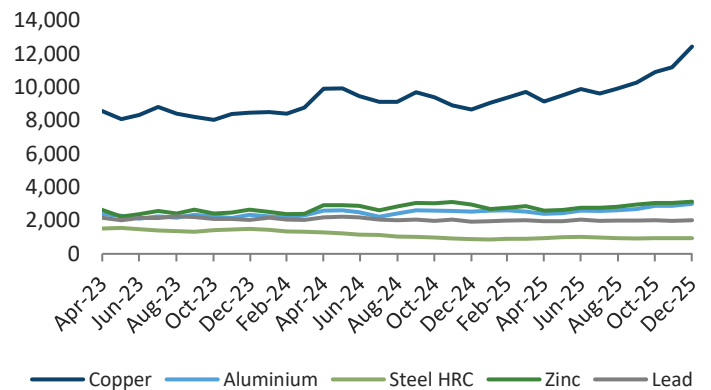
Monthly Industrial Production vs Capacity Utilization Index



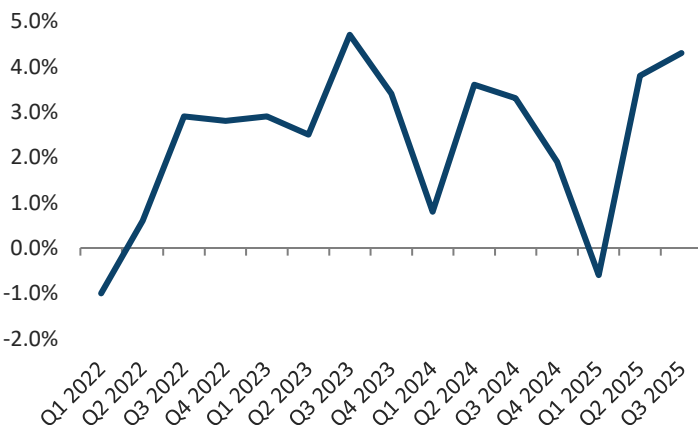
Interest Rates - SOFR



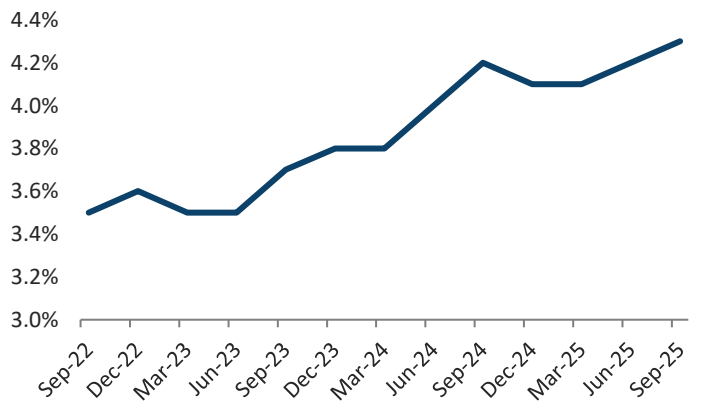
Commodity Prices - Metals



Quarterly Real GDP % Change



U.S. Unemployment Rates



Sources: U.S. Bureau of Labor Statistics, Fred, US Census Bureau and Trading Economics, Bloomberg

M&A Expertise For Founders & Families



Founded in 1987, Carter Morse & Goodrich is a boutique M&A advisory firm that specializes in representing founder-led and family-held businesses that are leaders in niche markets. We fully understand and appreciate the unique dynamics of these companies and the importance of owner legacies, which has enabled us to become a trusted advisor to hundreds of founders and families.

CMG Industry Groups

Manufacturing	Services	HVAC	Consumer	Food & Beverage
<ul style="list-style-type: none"> Aerospace & Defense Tools & Equipment Diversified Industrial Niche Manufacturing 	<ul style="list-style-type: none"> Diversified Services Facilities & Residential Industrial Services Distribution & Logistics 	<ul style="list-style-type: none"> Manufacturing Distribution HVAC Services Building Automation 	<ul style="list-style-type: none"> Pet Products Infant & Juvenile Products Sporting Goods Apparel & Accessories Household Goods 	<ul style="list-style-type: none"> Food Alcoholic Beverages Non-Alcoholic Beverages

1987
Founded

\$5 Billion
Aggregate Transaction
Values

450+
Client Engagements

1 Objective
Successful Client Outcomes

Select Manufacturing Transactions

APP **AEP**
AMERICAN PAPER INDUSTRIES LLC AMERICAN ELECTRO PRODUCTS

have been acquired by

SUMCO

a portfolio company of

IMG

OPTIMUM
BUILDING SYSTEMS
Exterior & Interior Building Systems Specialists

has been acquired by

WALL WORKS HOLDINGS

a portfolio company of

VantEdge **AVANT**

UNGER

has been acquired by

BISSELL

OPTIMUM

has acquired the assets of

Landry & Sons Acoustics
Manufacturing Company • Vinyl Planks • Commercial • Residential • Professional

ACE **HUBBELL** **RECO** **VAUGHN**

the **nudyne** group

has acquired the assets of

WARREN ELECTRIC
HEATING TECHNOLOGIES



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