



Seale & Associates

INDUSTRIAL AUTOMATION
INDUSTRY
Q1 2024
VALUATION UPDATE

25 years

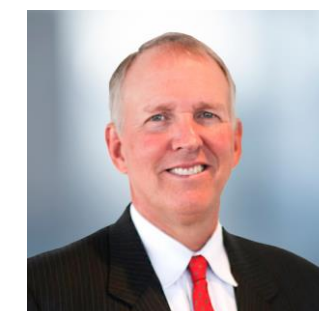
Introduction

We are pleased to share our Industrial Automation Industry Valuation Multiples Update for Q1 2024.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our client's strategic objectives in a range of transactions, including **Mergers, Acquisitions, Divestitures and Carve-Outs, Business Sales, Recapitalizations, and Joint Ventures**, among other corporate finance and strategy consulting services.

Over the course of 25+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our clients who are looking to grow through acquisitions or optimize their portfolios through strategic divestitures.

Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



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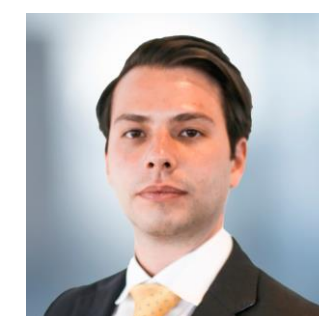
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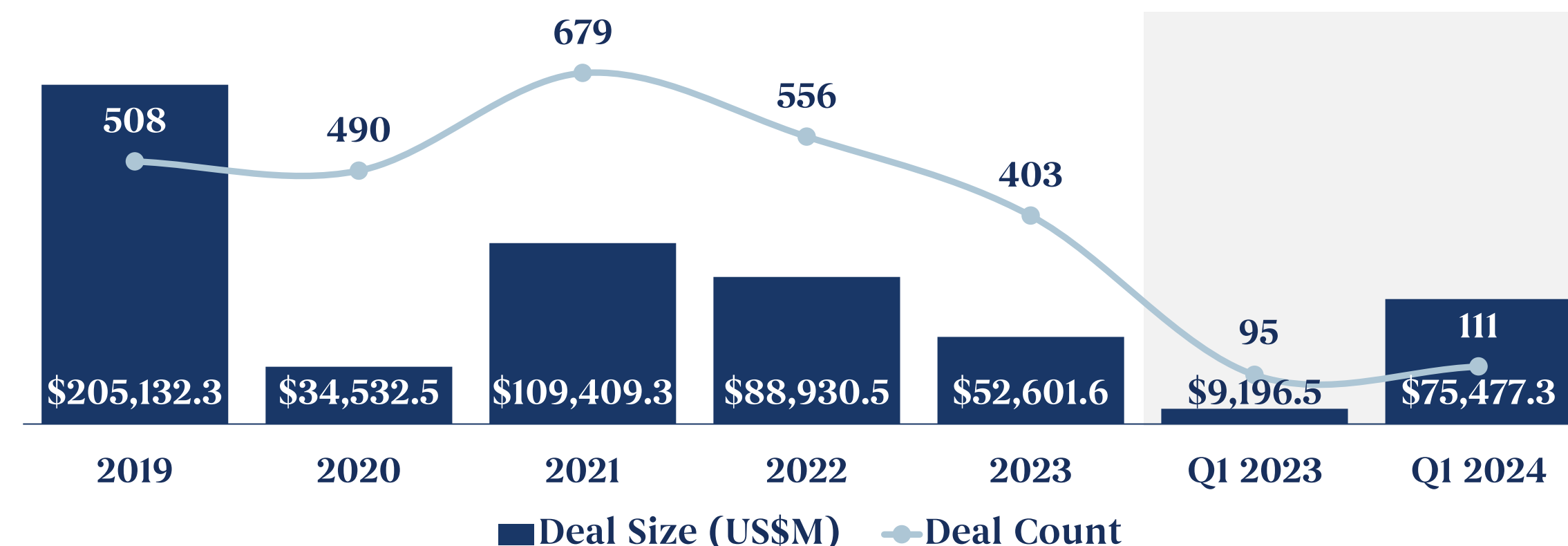
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Industrial Automation’s Industry Overview, M&A Trends and Market Intelligence

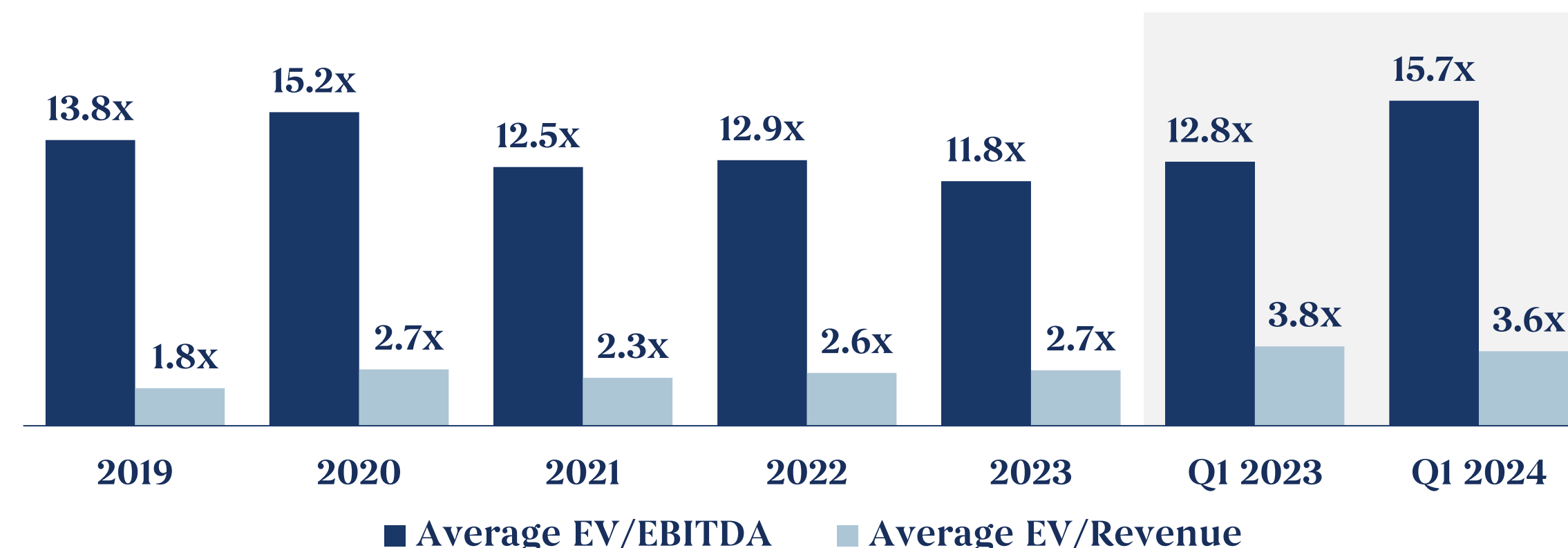
Industrial Automation M&A Trends and Market Intelligence

- The factory automation and industrial controls market is projected to experience a **CAGR** of **8.8%**, increasing from **US\$199.7B** in 2024 to **US\$304.4B** by 2029 in terms of market size
- M&A activity has surged in the last five years, primarily driven by **financial sponsors** who initiate **platform investments** and subsequently concentrate on executing **add-on acquisitions** to expand their portfolio
- **AI** plays a role across the **automotive** value chain, from **manufacturing** tasks such as design and production to support functions like insurance and predictive maintenance. Yet, one of the most intriguing applications of AI is in **transportation**, where it drives the development of **autonomous** vehicles and driver assistance systems
- The German **mid-market** is progressively **adopting** the practices of **large** corporations by **investing** in **digital business models**, aiming to enhance their market positioning and **bolster** their resilience against external shocks
- Thanks to advancements in **Industry 4.0 technology**, the demand for automated solutions like robots has surged in various industrial domains. The **convergence** of **automation** and **AI** is reshaping **manufacturing** processes and **revolutionizing** the industrial sector
- **Private equity** funds and multinational corporations are **actively** searching for investment **opportunities**, as a growing number of small and mid-cap companies show a **willingness** to **sell**
- A common **bottleneck** is **locating skilled management** and employees capable of performing specialized tasks in automation companies. Concerning M&A, companies are leveraging **acquisitions** to **secure** new **talent**

Industrial Automation Industry M&A Deal Size and Volume













Industrial Automation Industry M&A Average EV/EBITDA and EV/Revenue







Source: Mordor Intelligence, Market Research, Clayton McKervey, iBridge, Other Industry Reports

Industrial Automation Global Comparable Public Companies (1/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
ABB Ltd		CHE	\$85,215	\$88,863	\$32,235	18.3%	13.5x	14.2x	15.1x	2.8x
AMETEK, Inc.		USA	\$42,289	\$45,436	\$6,597	32.1%	18.3x	18.6x	21.4x	6.9x
Daifuku Co., Ltd.		JPN	\$8,783	\$8,476	\$3,991	10.9%	15.9x	14.1x	19.5x	2.1x
Datalogic S.p.A.		ITA	\$332	\$373	\$579	6.7%	8.1x	6.6x	9.6x	0.6x
Emerson Electric Co.		USA	\$64,842	\$80,128	\$15,909	27.1%	13.9x	12.7x	18.6x	5.0x
Honeywell International Inc.		USA	\$133,860	\$147,886	\$36,662	24.8%	16.2x	16.2x	16.3x	4.0x
Mitsubishi Electric Corporation		JPN	\$34,680	\$34,430	\$34,517	10.6%	5.8x	7.1x	9.4x	1.0x
Murata Manufacturing Co., Ltd.		JPN	\$35,273	\$32,835	\$10,561	25.9%	8.0x	10.3x	12.0x	3.1x
OMRON Corporation		JPN	\$7,045	\$8,268	\$5,594	8.5%	13.2x	11.6x	17.4x	1.5x
Rockwell Automation, Inc.		USA	\$33,384	\$36,867	\$9,129	21.0%	22.0x	20.3x	19.2x	4.0x

Industrial Automation Global Comparable Public Companies (2/2)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Schneider Electric S.E.		FRA	\$126,282	\$138,306	\$38,733	19.9%	14.8x	14.8x	18.0x	3.6x
Siemens Aktiengesellschaft		DEU	\$149,727	\$196,525	\$84,271	18.5%	15.7x	15.1x	12.6x	2.3x
TE Connectivity Ltd.		CHE	\$44,940	\$48,149	\$16,024	23.4%	11.7x	11.7x	12.8x	3.0x
Yokogawa Electric Corporation		JPN	\$6,010	\$5,489	\$3,518	19.3%	10.8x	8.8x	8.1x	1.6x
■ Excluded from mean and median						Mean	12.3x	11.9x	13.1x	2.5x
						Median	13.7x	13.4x	15.7x	2.9x

Industrial Automation – Q1 Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-24	 Vanguard Automation	DEU	Develops a technology and automated equipment for 3D microfabrication of optical interconnects	 MYCRONIC	-	100.0%	-	-	-
Mar-24	Zatea ApS	DNK	Offers pharma automation and industrial IT services	 ProjectBinder [®] <small>PART OF INIT.</small>	-	100.0%	-	-	-
Mar-24	 GESTALT Robotics	DEU	Provides technology solutions for industrial automation creating intelligent automation with innovative AI technology	[INDUS]	-	100.0%	-	-	-
Mar-24	 invar	GBR	Develops advanced warehousing automation technology	Wincanton	-	100.0%	-	-	-
Mar-24	 aubox	FIN	Manufactures automation and electric cabinets	 Malux solutions	-	100.0%	-	-	-
Mar-24	ROMARIC	USA	Offers factory automation solutions and throughput optimization software solutions	 camLine <small>elco company</small>	-	100.0%	-	-	-
Mar-24	 CHEMSPEED Technologies	CHE	Provides automation platforms, digital solutions and application expertise for R&D and QC labs	 BRUKER	-	100.0%	-	-	-
Feb-24	 WIN&TECH	ITA	Designs automated systems and membrane separation technologies, including microfiltration, for the wine and beverage industry	 Omnia Technologies <small>Enabling Evolution</small>	-	100.0%	-	-	-
Feb-24	 INNOTECH	ITA	Creates automated plants and state-of-the-art technologies for bottling, packaging, and processing raw materials in the wine sector and across the beverages sector	 Omnia Technologies <small>Enabling Evolution</small>	-	100.0%	-	-	-
Feb-24	 CIRCUITCHECK <small>INNOVATIVE TEST SOLUTIONS</small>	USA	Designs and manufactures precision engineered custom test systems, test fixtures, and test automation solutions for electronics and electro-mechanical devices	MERIT CAPITAL PARTNERS  P2G CAPITAL	-	100.0%	-	-	-
Jan-24	 TOTALLY AUTOMATED SYSTEMS  MODULAR AUTOMATION	IRL	Provide fully integrated and stand-alone assembly machines for automotive, home appliances and other sectors	 AIR <small>AUTOMATED INDUSTRIAL ROBOTICS</small>	-	100.0%	-	-	-

Industrial Automation – Q1 Global Transactions (2/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Jan-24	 KEOPS Automation	FRA	Operates as an engineering and implementation company in the field of automation and industrial IT	 oussystem	-	100.0%	-	-	-
Jan-24	 RxSAFE	USA	Provides pharmacy automation technology	 ITW	-	100.0%	-	-	-
Jan-24	 makro SOLUTIONS	DEU	Offers innovative technologies in the areas of robotics, automation, control retrofits, industrial electronics repair and digitalization	 ferag...	-	100.0%	-	-	-
Jan-24	 ACTIW	FIN	Provides automated loading solutions for the unmodified trailer market	 joloda hydraroll	-	100.0%	-	-	-

Selected Transactions Commentary



MYCRONIC

has acquired



vanguard
AUTOMATION

“Megatrends such as AI, cloud computing, and augmented reality are boosting demand for computational power, leading to larger, more energy-intensive data centers. Vanguard Automation’s unique solutions will help speed up optical interconnects and cut energy consumption at the same time.”

Magnus Marthinsson, SVP Global Technologies at Mycronic



[INDUS]

has acquired



GESTALT
ROBOTICS

“By acquiring Gestalt Robotics, we are tapping into the growth potential of AI applications for industrial technology. The acquisition thus supports our strategic initiative ‘Driving innovation’, which, among other things, promotes the rapid implementation of AI solutions in our portfolio companies.”

Dr. Johannes Schmidt, Chairman of the Board of Management of the INDUS Group



Wincanton

has acquired



invar

“This capability-enhancing acquisition catapults us on our journey to become a leading integrator of automation and robotics solutions for supply chains. The Invar team is a great cultural fit, with a pedigree in developing and integrating best-in-class solutions.”

James Wroath, CEO of Wincanton



ITW

has acquired












RxSAFE

“RxSafe and Eyecon, under the umbrella of ITW, are set to continue revolutionizing pharmacy operations. This union combines RxSafe’s innovative automated technology solutions with Eyecon, the established leader in precision pill counting and prescription validation. The result is a portfolio of pharmacy automation solutions that will continue to elevate the standards of efficiency, accuracy, and patient safety.”

Eric Holland, Business Unit Manager - Pharmacy Automation Division at RxSafe & Eyecon

Private Equity Transactions

INDUSTRY CLASIFICATION	PERIOD	AVERAGE ENTERPRISE VALUE (IN USD)	REVENUE (IN USD)	TTM REVENUE GROWTH	ENTERPRISE VALUE / REVENUE	EBITDA MARGIN	ENTERPRISE VALUE /EBITDA	NUMBER OF TRANSACTIONS
 Industrial robot automation applications <i>NAICS 541511 – Custom Computer Programming Services</i>	 2021-2023	 \$59.6M	 \$30.2M	 68.7%	 2.9x	 30.0%	 10.2x	 4
Robotics automation engineering services <i>NAICS 541330 – Engineering services</i>	2023	\$29.3M	\$19.6M	38.3%	1.6x	21.1%	7.2x	3

Notes:

- Data obtained via GF Data, a subscription-based information platform, offering detailed information and metrics about the transactions of Private Equity funds in the U.S.
- The data is provided under a blind confidential format. Users of the data are unable to identify the exact company and transaction corresponding to the transaction details. Given this blind approach, the data submitted is less likely to be biased or manipulated.

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We deliver sector-specific intelligence designed specifically for industry leaders, private equity firms, and their advisors. Our industry reports and featured articles deliver real-time access to key industry data, including:



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S U S C R I B E

Global M&A Representative Engagements

<p>BEIJER REF</p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p>avangardinnovative MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p>ZN ZINC NACIONAL</p> <p>has sold</p> <p>GSDKO</p> <p>Zinc Oxide Corporation a subsidiary of</p> <p>Korea Zinc</p>	<p>Electrolux PROFESSIONAL</p> <p>has acquired</p> <p>unified brands a DOVER company</p> <p>from</p> <p>DOVER</p>	<p>Port Contractors STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p>Oxbow</p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1880</p> <p>was refinanced by</p> <p>BMO </p>	<p>Hertz</p> <p>has acquired</p>  <p>DONLEN</p>
<p>Standex</p> <p>has sold</p> <p>Enginetics</p> <p>to</p> <p>Enjet AERO</p>	<p>ITT</p> <p>has sold</p> <p>BURNY KALIBURN PLASMA CUTTING INNOVATION</p> <p>and</p> <p>CNC Cleveland Motion Controls</p> <p>to</p> <p>LINCOLN ELECTRIC</p>	<p>Honeywell</p> <p>has sold</p> <p>TENSOR</p> <p>to</p>  <p>GE Power Systems</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p> <p>AMP ALL METALS PROCESSING</p>	<p>TRIUMPH™</p> <p>has sold</p> <p>Triumph Air Repair, the APU Overhaul Operations of Triumph Aviation Services - Asia, and Triumph Engines businesses</p> <p>to</p> <p>TGG THE GORES GROUP</p>	<p>Rheem</p> <p>has acquired</p> <p>HTPG</p>	<p>GRACE</p> <p>has sold its GRACE Membranes business</p> <p>Uop a subsidiary of</p> <p>Honeywell</p>
<p>convatec - forever caring -</p> <p>has sold</p> <p>SENSI CARE</p> <p>and</p> <p>ALOE VESTA™</p> <p>to</p> <p>MEDLINE</p>	<p>United Technologies</p> <p>has sold</p> <p>MobileView</p> <p>to</p> <p>SAFE FLEET Driving Safety Forward™</p>	<p>United Technologies</p> <p>has sold</p> <p>HTPG A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p>MONOMOY CAPITAL PARTNERS and Starboard Capital Partners</p>	<p>LOCKHEED MARTIN</p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p>ALTEON A BOEING COMPANY</p>	<p>FLOWSERVE</p> <p>has sold</p> <p>D&B</p> <p>to</p> <p>DB DaviesBaird</p>	<p>KBR</p> <p>has acquired</p> <p>Wabi Wabi Development Corporation</p>	<p>H I G HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p>H. I. G. PRIVATE EQUITY</p>



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University of Kentucky - BS in Accounting

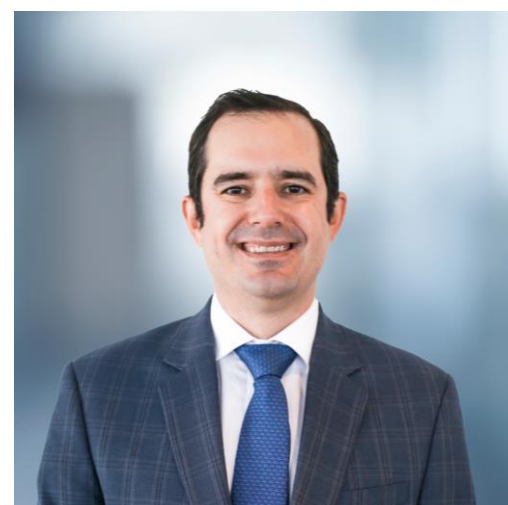


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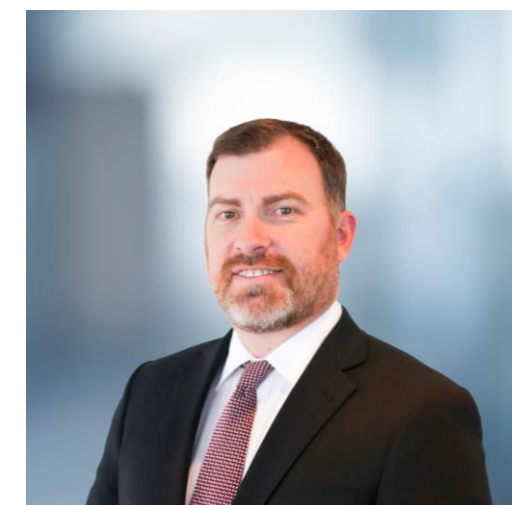


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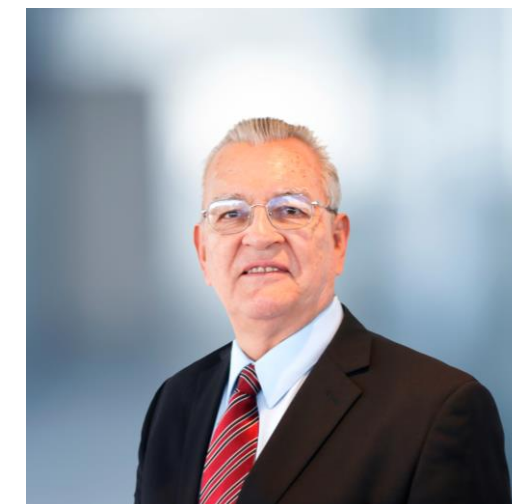


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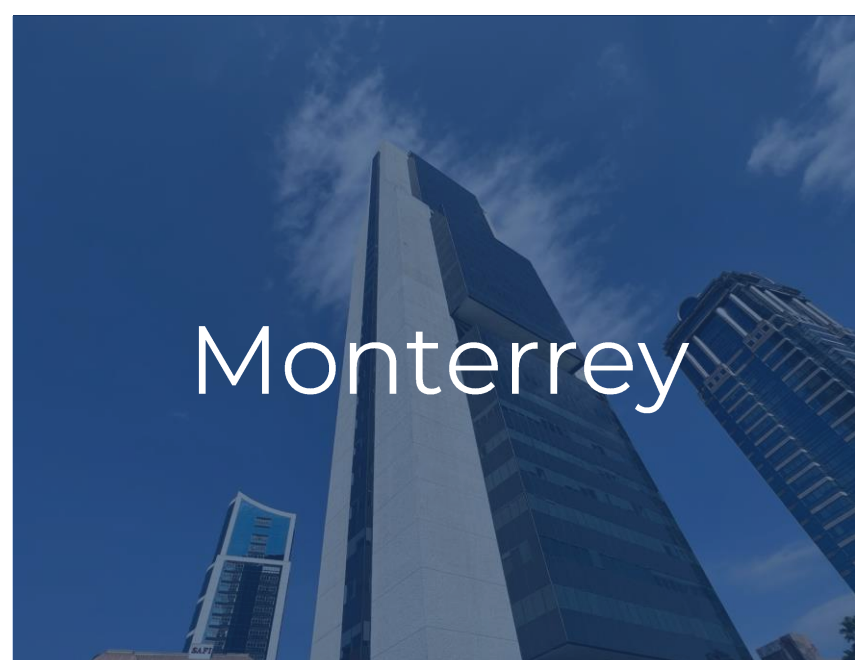
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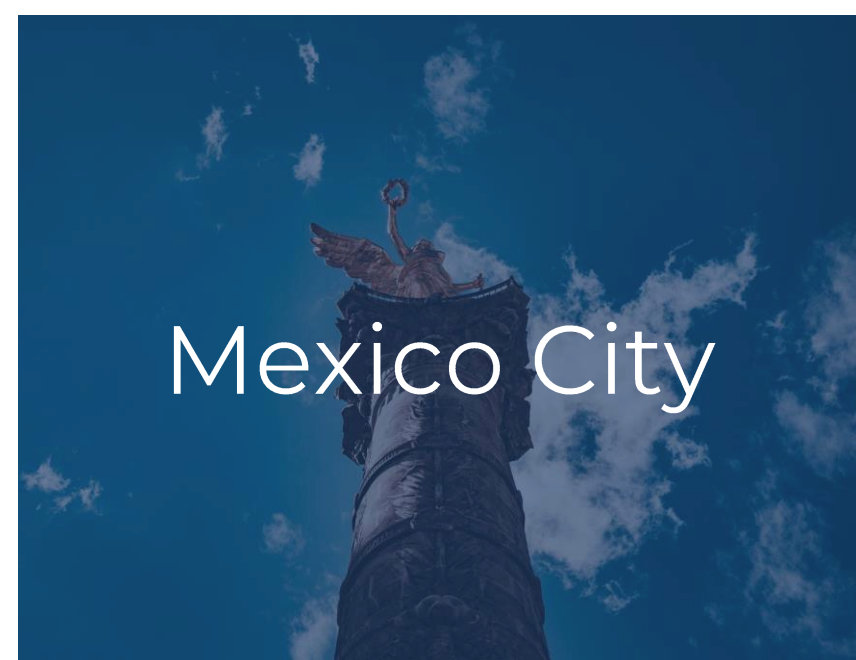
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience
Instituto Tecnológico y de Estudios Superiores de Monterrey
MBA and BS in Industrial Engineering



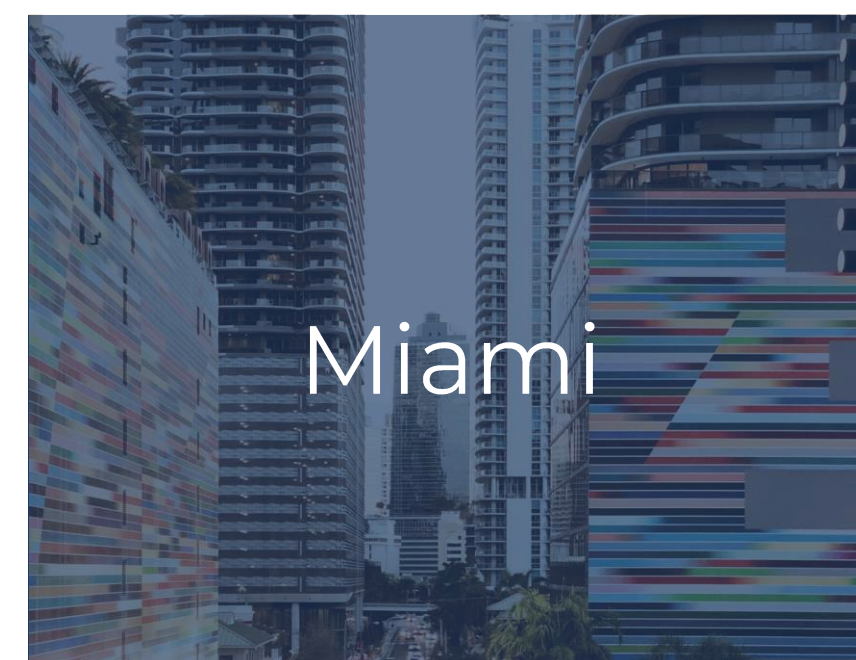
Washington D.C.



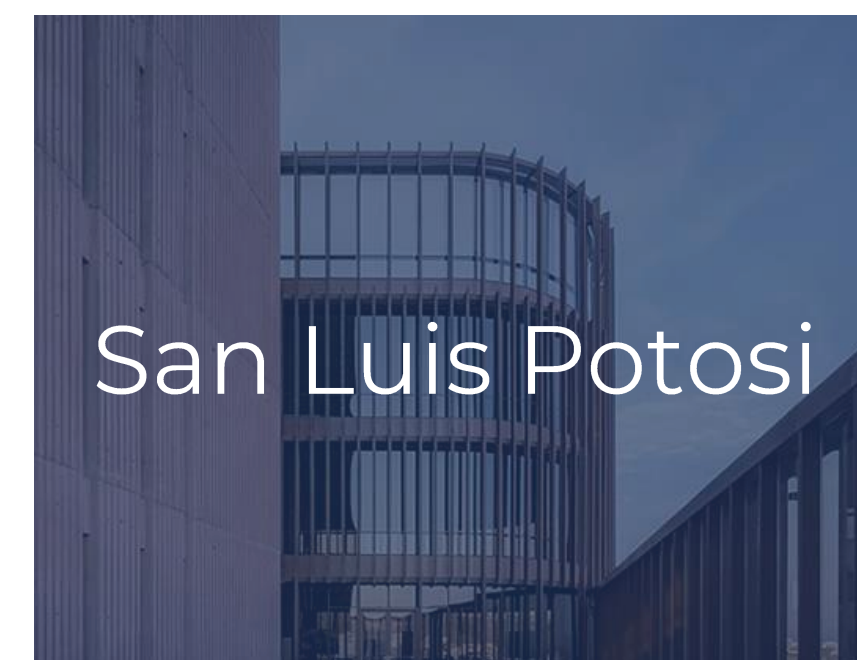
Monterrey



Mexico City



Miami



San Luis Potosi

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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and trusted solutions to address their most complex dealings.

25

YEARS OF
EXPERIENCE

\$50B+

TRANSACTIONS
GLOBALLY

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Mergers & Acquisitions

Divestitures

Joint Ventures / Alliances

Recapitalizations

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Expert Witness Testimony

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Strategy Consulting

Trusted Advisor to Leading Companies Worldwide

We have worked repeatedly with many of the most well-known companies in the world...

...as well as with reputable funds, family-offices and privately held companies.



Seale & Associates

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