



# Seale & Associates

INDUSTRIAL AUTOMATION  
INDUSTRY  
Q2 2024  
VALUATION UPDATE

25 years



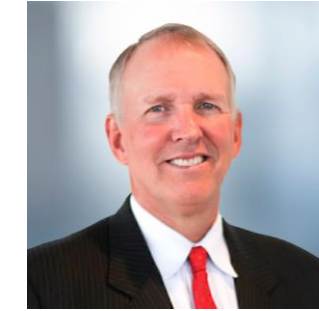
# Introduction

We are pleased to share our Industrial Automation Industry Multiples Valuation Update for Q2 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.

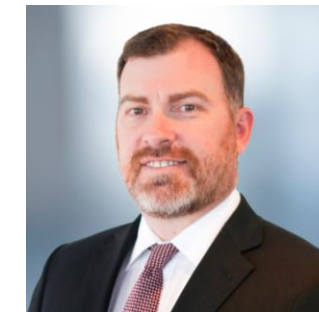
Seale has extensive experience advising leading multinational companies, private equity firms, and family-owned businesses across a wide range of industries.



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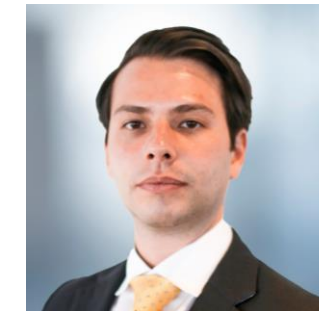
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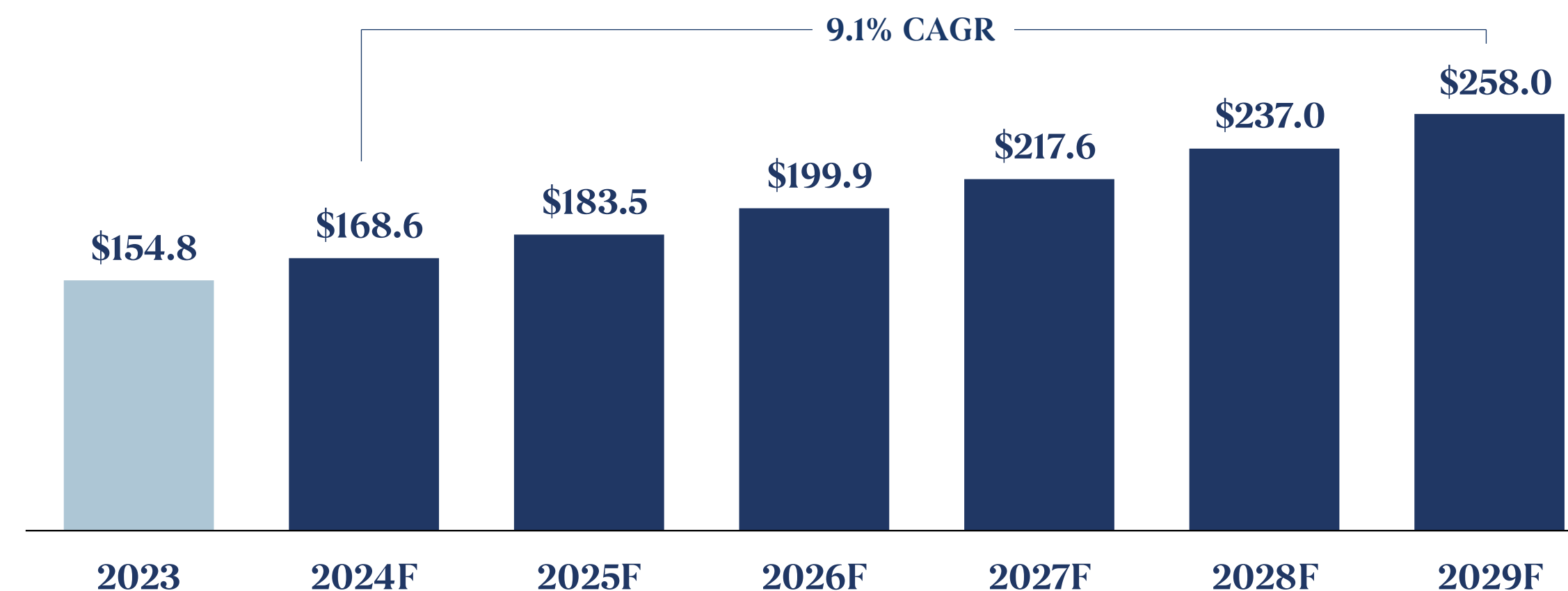
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# Industrial Automation’s Industry Overview, M&A Trends and Market Intelligence

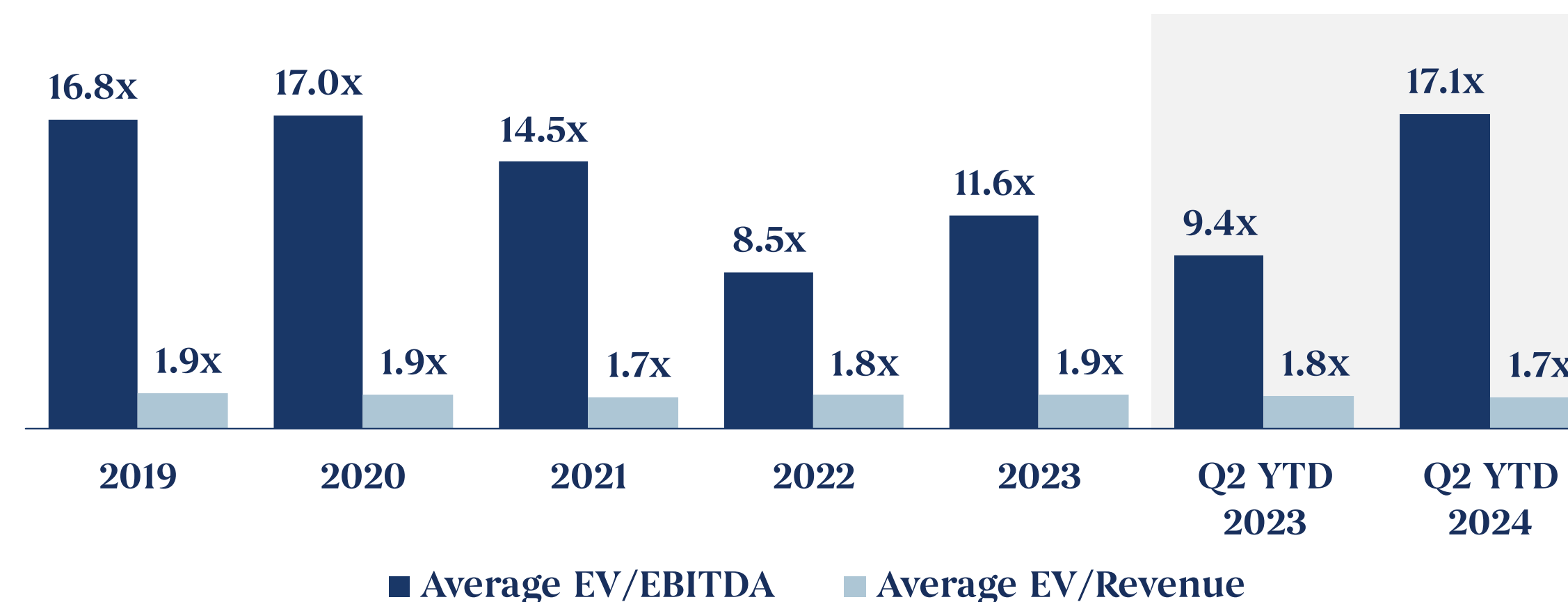
## Industrial Automation M&A Trends and Market Intelligence

- The industrial automation market is expected to **reach US\$368.1B by 2031**, growing at a **CAGR of 9.1%** during the forecast period of **2024-2031**
- Throughout 2024, the **automation sector** has experienced **strong M&A activity**, fueled by a **tight labor market**, **rapid technological advancements**, and an **increasing drive toward digitization**. In **Q2 2024**, this momentum continued, with **robust M&A activity driven by** the growing **demand for automation solutions**
- **Inflation is pressuring** the industry, but **firms are mitigating** this by **educating clients on supply chain delays and rising costs**. Additionally, they are successfully **passing on price increases**, which makes them able to **maintain profitability** and sustain **strong investor appeal** within the industry
- A significant trend during this period has been the focus on **acquisitions by strategic buyers** aiming to **enhance their capabilities** in critical areas such as **AI, robotics, and IoT**
- **Automation** is becoming ever more **essential** in **modern industrial operations**, leading **strategic buyers to pay premium multiples** when potential **synergies are apparent**. This heightened willingness to invest has **driven up valuations** within the sector, underscoring the strategic importance of these technologies
- **Private equity firms** have been key in **driving industry consolidation** through **roll-up strategies, partnering with industry veterans to acquire smaller companies and build end-to-end automation platforms**. This approach has significantly shaped the industry, **offering valuable opportunities for financial sponsors**
- There is an increasing **demand for skilled talent** within the industry, which is **driving acquisitions not just for assets, but for the skilled management and workforce that come with them**. This "acqui-hire" strategy is becoming a **crucial growth avenue**, allowing companies to **secure the expertise needed** to drive their operations and innovations forward **in a competitive market**
- Given the **market's fragmented nature** and **consistent growth**, this trend of **consolidation is expected to continue**, offering numerous **opportunities for growth and expansion** within the industry

Industrial Automation’s Industry Market Size (US\$B)



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



























# 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		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
ABB Ltd		CHE	\$102,656	\$106,653	\$32,322	18.3%	13.5x	14.2x	18.0x	3.3x
AMETEK, Inc.		USA	\$38,588	\$41,382	\$6,825	31.5%	18.3x	18.6x	19.2x	6.1x
Daifuku Co., Ltd.		JPN	\$6,935	\$6,493	\$3,867	11.6%	15.9x	14.1x	14.4x	1.7x
Datalogic S.p.A.		ITA	\$320	\$347	\$527	5.1%	8.1x	6.6x	13.0x	0.7x
Emerson Electric Co.		USA	\$63,023	\$78,021	\$16,963	27.2%	13.9x	12.7x	16.9x	4.6x
Honeywell International Inc.		USA	\$139,054	\$154,001	\$37,334	24.8%	16.2x	16.2x	16.6x	4.1x
Mitsubishi Electric Corporation		JPN	\$33,332	\$31,491	\$33,096	10.5%	5.8x	7.1x	9.1x	1.0x
Murata Manufacturing Co., Ltd.		JPN	\$38,806	\$35,473	\$10,532	25.8%	8.0x	10.3x	13.1x	3.4x
OMRON Corporation		JPN	\$6,768	\$7,974	\$4,968	6.3%	13.2x	11.6x	25.3x	1.6x
Rockwell Automation, Inc.		USA	\$31,383	\$35,183	\$8,792	22.1%	22.0x	20.3x	18.1x	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		Second Quarter Jun. 30, 2024		
						2022	2023	EV/EBITDA	EV/Revenue	
Schneider Electric S.E.	 FRA	\$134,496	\$146,438	\$39,046	19.6%	14.8x	14.8x	19.1x	3.8x	
Siemens Aktiengesellschaft	 DEU	\$145,644	\$196,819	\$84,240	15.6%	15.7x	15.1x	14.9x	2.3x	
TE Connectivity Ltd.	 CHE	\$45,952	\$49,120	\$15,812	24.0%	11.7x	11.7x	12.9x	3.1x	
Yokogawa Electric Corporation	 JPN	\$6,291	\$5,676	\$3,422	19.0%	10.8x	8.8x	8.7x	1.7x	
■ Excluded from mean and median						<b>Mean</b>	12.3x	11.9x	14.9x	2.5x
						<b>Median</b>	13.7x	13.4x	15.8x	3.2x

# Industrial Automation – Q2 Global Transactions (1/2)

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Jun-24		ITA	Provides industrial automation systems, focusing on plants, electrical systems, and renewable energy solutions		-	100.0%	-	-	-
Jun-24		USA	Designs and installs high-performance flat rolled coil processing and automated coil handling systems		-	100.0%	-	-	-
Jun-24		USA	Designs, installs, and monitors custom automation solutions		-	100.0%	-	-	-
Jun-24		DNK	Provides automated welding solutions with adaptive intelligence softwares		-	100.0%	-	-	-
Jun-24		ITA	Provides industrial automation systems using robotics		-	100.0%	\$3.3	-	0.3x
May-24	<b>Automation Division</b>	USA	Provides intelligent automation solutions for energy-efficient industrial systems			100.0%	-	-	-
May-24		USA	Povides custom industrial electrical control panels, electro-mechanical assemblies, robotic automation and integrated solutions		-	100.0%	-	-	-
May-24		USA	Designs and installs small to medium-sized automation cells		-	ND	-	-	-
May-24		USA	Designs and installs automated control systems		-	100.0%	-	-	-

# Industrial Automation – Q2 Global Transactions (2/2)


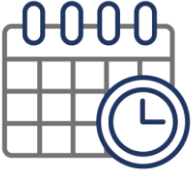
Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
May-24	 SKYLINE	CHE	Provides automated parking systems worldwide		-	100.0%	-	-	-
Apr-24*		DEU	Provides robotic and automation technology including linear handling systems, assembly lines, and vision inspection technology	 A Hitachi Group Company		100.0%	\$81.7	-	1.6x
Apr-24		DNK	Provides customized automated secondary solid wood processing systems		-	20.0%	-	-	-
Apr-24		ESP	Provides automation and robotisation of production and operation processes		-	100.0%	-	-	-
Apr-24		BEL	Provides industrial automation integration		-	100.0%	-	-	-
Apr-24		GBR	Designs and installs automation solutions developing advanced control and software systems		-	100.0%	-	-	-
Apr-24		USA	Provides frequency drives and automated systems		-	100.0%	-	-	-
Apr-24		USA	Provides custom machines and production lines		-	100.0%	\$109.7	-	1.6x

ND: Not Disclosed

\* Announced transactions pending approval and other closing conditions

**Mean** - 1.2x  
**Median** - 1.6x

# 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
 <b>Industrial robot automation applications</b> <i>NAICS 541511 – Custom Computer Programming Services</i>	2019-2024	\$24.8M	\$57.3M	37.9%	2.6x	31.9%	8.4x	13
 <b>Robotics automation engineering services</b> <i>NAICS 541330 – Engineering services</i>	2023-2024	\$26.5M	\$19.2M	29.9%	1.5x	19.8%	7.0x	4

**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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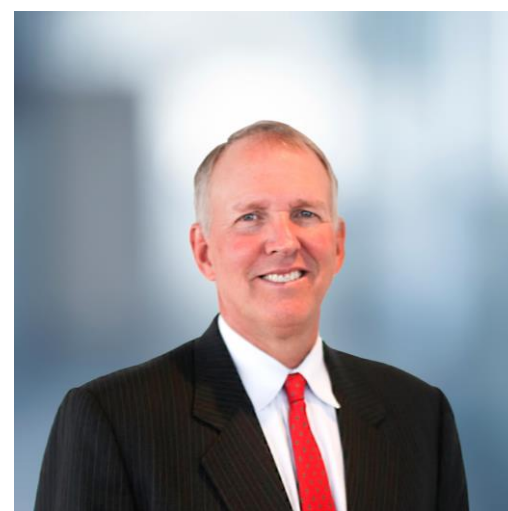
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# Global M&A Representative Engagements

<p><b>BEIJER REF</b></p> <p>has been acquired by</p>  <p>HERITAGE DISTRIBUTION HOLDINGS</p>	<p><b>avangardinnovative</b> MOVING THE CIRCULAR ECONOMY FORWARD</p> <p>has sold a controlling interest to</p>  <p>WASTE MANAGEMENT</p>	<p><b>ZN</b> ZINC NACIONAL</p> <p>has sold</p> <p><b>GSDKO</b></p> <p>Zinc Oxide Corporation a subsidiary of</p>  <p>Korea Zinc</p>	<p><b>Electrolux</b> PROFESSIONAL</p> <p>has acquired</p> <p><b>unified brands</b> a DOVER company</p> <p>from</p>  <p>DOVER</p>	<p><b>Port Contractors</b> STEVEDORES - TERMINAL OPERATORS</p> <p>has been acquired by</p>  <p>ENSTRUCTURE</p>	<p><b>Oxbow</b></p> <p>Oxbow's Senior Subordinated debt issued by</p>  <p>H.J. BAKER ESTABLISHED 1888</p> <p>was refinanced by</p>  <p>BMO</p>	<p><b>Hertz</b></p> <p>has acquired</p>  <p>DONLEN</p>
<p><b>Standex</b></p> <p>has sold</p> <p><b>Enginetics</b></p> <p>to</p>  <p>Enjet AERO</p>	<p><b>ITT</b></p> <p>has sold</p> <p><b>BURNY</b> <b>KALIBURN</b> IMPROVEMENTS IN SHAPE CUTTING PLASMA CUTTING INNOVATION</p> <p>and</p> <p><b>CNC</b> Cleveland Motion Controls</p> <p>to</p>  <p>LINCOLN ELECTRIC</p>	<p><b>Honeywell</b></p> <p>has sold</p> <p><b>TENSOR</b></p> <p>to</p>  <p>GE Power Systems</p>	<p><b>TRIUMPH™</b></p> <p>has sold</p> <p>Triumph Processing - Embee Division</p> <p>to</p>  <p>AMP ALL METALS PROCESSING</p>	<p><b>TRIUMPH™</b></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><b>Rheem</b></p> <p>has acquired</p>  <p>HTPG</p>	<p><b>GRACE</b></p> <p>has sold its GRACE Membranes business</p> <p><b>Uop</b> a subsidiary of</p> <p><b>Honeywell</b></p>
<p><b>convatec</b> - forever caring -</p> <p>has sold</p> <p><b>SENSI CARE</b></p> <p>and</p> <p><b>ALOE VESTA™</b></p> <p>to</p>  <p>MEDLINE</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>MobileView</b></p> <p>to</p> <p><b>SAFE FLEET</b> Driving Safety Forward™</p>	<p><b>United Technologies</b></p> <p>has sold</p> <p><b>HTPG</b> A division of Carrier Commercial Refrigeration, Inc.</p> <p>to</p> <p><b>MONOMOY</b> and <b>Starboard Capital Partners</b> CAPITAL PARTNERS</p>	<p><b>LOCKHEED MARTIN</b></p> <p>has sold</p> <p>Commercial Flight Training Business</p> <p>to</p> <p><b>ALTEON</b> A BOEING COMPANY</p>	<p><b>FLOWSERVE</b></p> <p>has sold</p> <p><b>D&amp;B</b></p> <p>to</p> <p><b>DB</b> DaviesBaird</p>	<p><b>KBR</b></p> <p>has acquired</p> <p><b>Wabi</b> Wabi Development Corporation</p>	<p><b>H I G</b> HARRISON GYPSUM, LLC</p> <p>has been recapitalized by</p> <p><b>H. I. G.</b> PRIVATE EQUITY</p>





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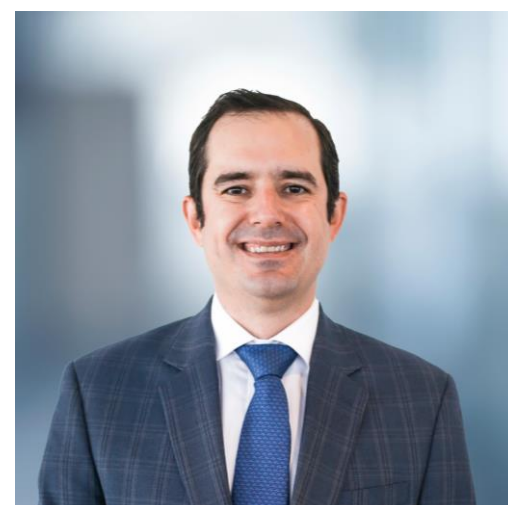


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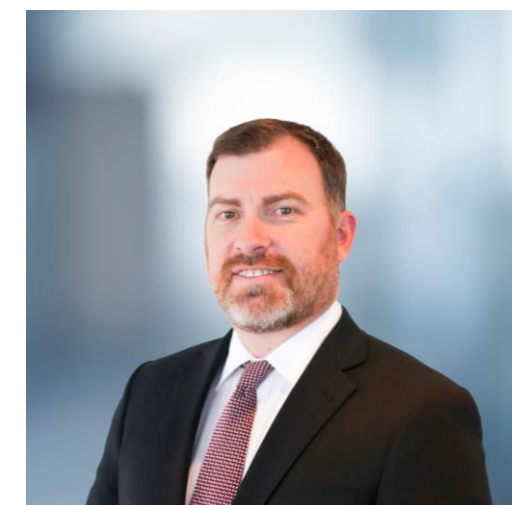


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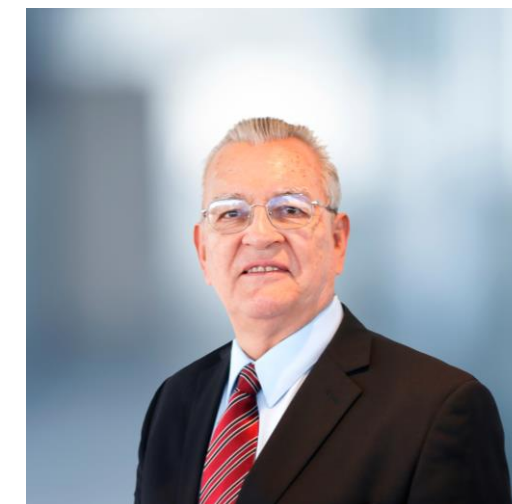


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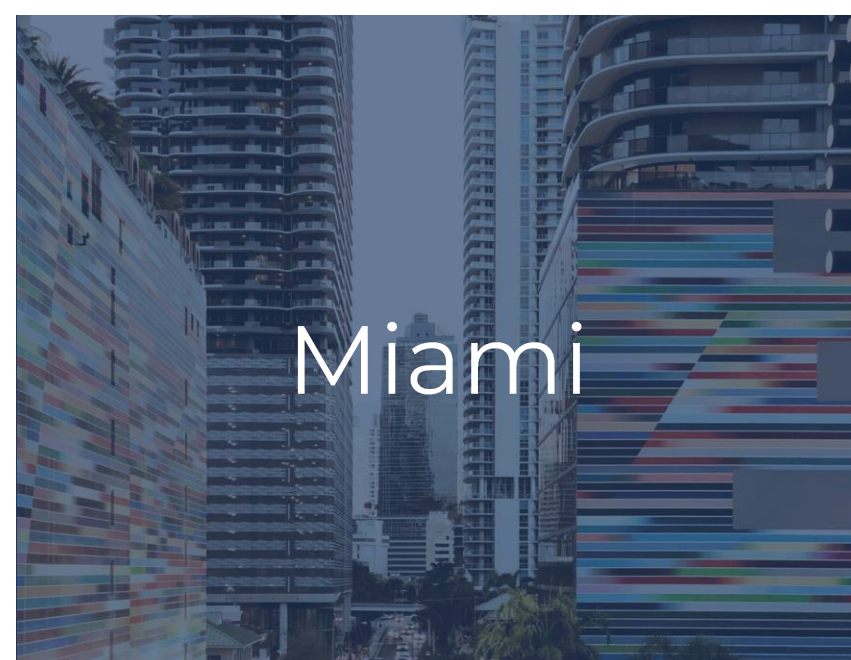
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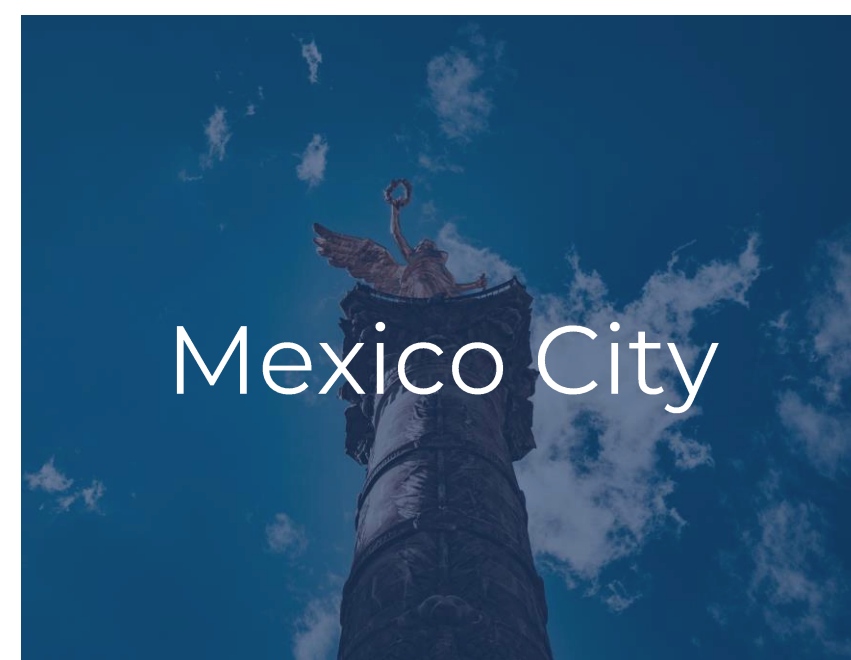
32+ years with Grupo Industrial Saltillo with experience as Director, Corp. Dev. and extensive global commercial experience  
Instituto Tecnológico y de Estudios Superiores de Monterrey  
MBA and BS in Industrial Engineering



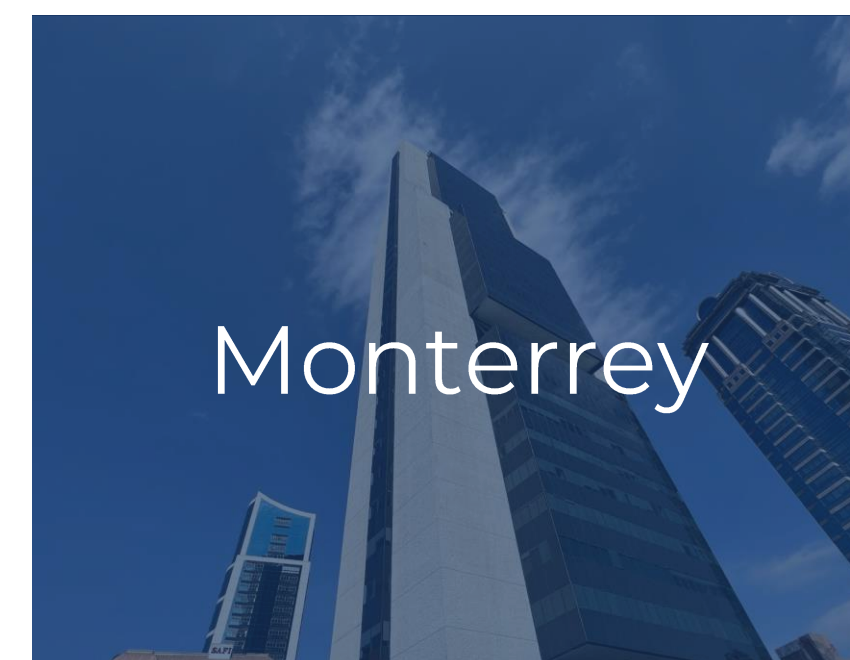
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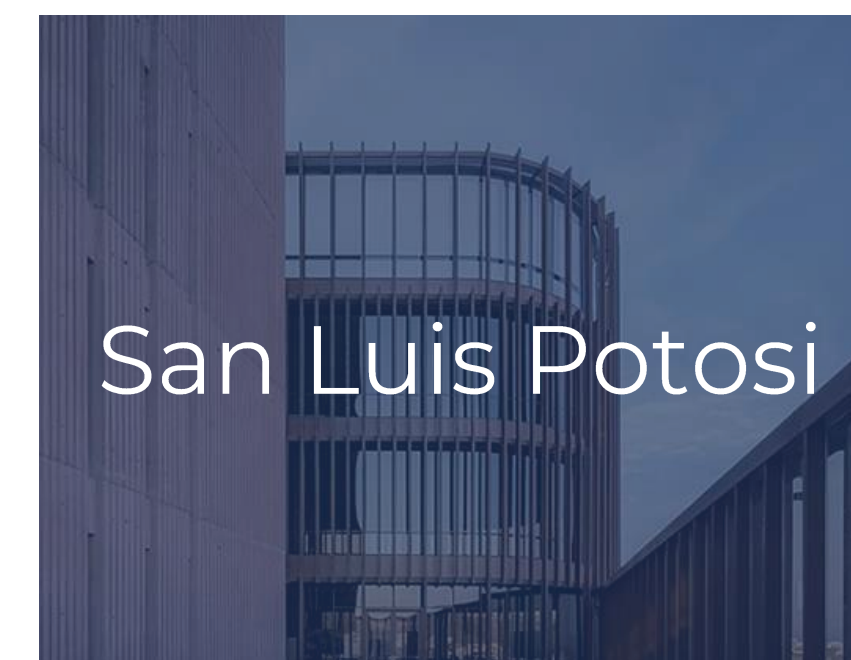
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For over 25 years, Seale & Associates has served leading public and private companies from around the world and operating in a broad range of industries with a high level of quality, integrity and independence while presenting innovative ideas and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

**25**

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EXPERIENCE

**\$50B+**

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