



# Seale & Associates

PUMPS AND VALVES INDUSTRY  
Q1 2023  
VALUATION UPDATE



# Introduction

We are pleased to share our Pumps and Valves Industry Multiples Valuation Update for Q1 2023.

At Seale & Associates, we are committed to providing process-driven solutions designed to optimize value and achieve our clients' 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 23+ years, we have successfully served clients all over the world, and we are delighted to continue providing investment banking advisory services to our Pumps and Valves Industry clients that 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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# Sector Relevant Experience

## Extensive M&A transaction experience, including:

- Provided **divestiture advisory** services to Standex International Corporation on the announced sale of its Procon Pumps business to Investindustrial
- Provided **divestiture advisory** services to **Tyco International** on the **sale** of its **Indian fire sprinkler and hydrant installation business** and on its **Brazilian security & fire services business**
- Provided **acquisition advisory** services to the shareholders of State Industries, Inc., a manufacturer of residential and commercial water heaters, on the sale of the business to A.O. Smith Corporation
- Provided **acquisition advisory services** to the shareholders of Grif-Fab Corporation on the sale of the business to Ferguson Fire & Fabrication, Inc., a division of Ferguson Enterprises, Inc., a wholly-owned subsidiary of Wolseley plc.
- Provided **divestiture advisory services** to **Flowserve Corporation** on the sale of its **Davies & Baird Australian** specialty castings foundry business to **Davies Baird Pty Ltd**, a sister company of Quality Castings Pty Ltd
- Provided **divestiture advisory services** to Corporación E.G., S.A. de C.V on the sale of NorthAm Engineering, S.A. de C.V., one of the largest Mexican engineering and project management companies, to Foster Wheeler AG



Standex  
has sold



PROCON<sup>®</sup>  
custom | fluid | solutions™

to



CEME  
GROUP

a portfolio company of



Investindustrial




tyco

has sold its

**Indian Fire Sprinkler  
& Hydrant  
Installation Business**

and

**Brazilian Security  
& Fire Services  
Business**



state  
WATER HEATERS

has been acquired by



AOSmith.



GRIF-FAB  
CORPORATION

has been acquired by




FERGUSON<sup>®</sup>  
Fire & Fabrication, Inc.

a business of




FERGUSON<sup>®</sup>  
a WOLSELEY company



FLOWSERVE


has sold



D&B

to

**Davies Baird Pty Ltd**  
a sister company of



Quality Castings

CORPORACION 

has sold



NORTHAM  
ENGINEERING

to



FOSTER WHEELER



SEALE & ASSOCIATES' SECTOR RELEVANT EXPERIENCE

# CEMEX S.A.B de C.V.

**TARGET:** Concrete Pumping Business

**TRANSACTION TYPE:** Sell-side

**INDUSTRIES:** Construction, Building Products and Pumping Services

**GEOGRAPHY:** Monterrey, Mexico

## SITUATION

Seale & Associates acted as exclusive financial advisor to CEMEX (BMV:CEMEX CPO) in the divestiture of its Concrete Pumping Business to Pumping Team. The announced transaction value was US\$109 million, including US\$80 million at closing and an additional US\$29 million in purchase price contingent on future performance targets.

## SEALE & ASSOCIATES' APPROACH

Seale managed a competitive auction process with potential strategic and financial buyers. Seale's disciplined approach allowed our client to maintain momentum and negotiating leverage throughout the process and ensure closing at a premium value and more favorable terms.

## OUTCOME

The process resulted in the successful acquisition of CEMEX's Concrete Pumping Business by Pumping Team, which will become the supplier of ready-mix concrete pumping to CEMEX and its customers in Mexico.




has sold

its Concrete Pumping Business

to












*"We are pleased to have been able to represent CEMEX in this strategic divestiture of its concrete pumping business in Mexico.*

*We wish the new owners of the Pumping Team and Nexxus Capital business every success.*







*We look forward to maintaining a long-term win-win relationship in their business relationship with CEMEX."*

**Sergio Garcia del Bosque, Managing Director, Seale & Associates**

## Small Cap Pumps and Valves Global Comparable Public Companies





Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023 EV/		
						2021	2022	EBITDA	Revenue	
CIRCOR International, Inc.		USA	\$634	\$1,111	\$804	15.3%	11.7x	9.2x	9.8x	1.4x
KITZ Corporation		JPN	\$626	\$728	\$1,222	11.6%	6.2x	4.8x	5.4x	0.6x
KSB SE & Co. KGaA		DEU	\$999	\$1,033	\$2,752	8.8%	2.9x	2.9x	3.9x	0.4x
MRC Global Inc.		USA	\$819	\$1,700	\$3,506	5.9%	17.2x	14.9x	7.7x	0.5x
Nikkiso Co., Ltd.		JPN	\$468	\$784	\$1,333	3.7%	10.1x	14.9x	13.9x	0.6x
The Gorman-Rupp Company		USA	\$654	\$1,087	\$579	14.2%	17.8x	17.8x	15.5x	2.1x
Torishima Pump Mfg. Co., Ltd.		JPN	\$311	\$336	\$486	12.7%	4.0x	5.0x	6.5x	0.8x
Tsurumi Manufacturing Co., Ltd.		JPN	\$382	\$293	\$423	15.2%	4.6x	4.9x	4.8x	0.7x
Yamada Corporation		JPN	\$51	\$35	\$103	17.3%	2.0x	2.1x	2.0x	0.3x
■ Excluded from mean and median						<b>Mean</b>	5.9x	7.3x	5.7x	0.8x
						<b>Median</b>	4.6x	5.0x	5.4x	0.6x

## Mid Cap Pumps and Valves Global Comparable Public Companies










Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Badger Meter, Inc.	 BadgerMeter, Inc.	USA	\$3,568	\$3,437	\$592	20.2%	29.5x	24.3x	29.4x	6.1x
Crane Company	 CRANE	USA	\$6,405	\$7,091	\$3,346	19.3%	11.0x	10.0x	10.4x	2.1x
Ebara Corporation	 EBARA	JPN	\$4,246	\$4,317	\$5,357	14.0%	7.3x	5.9x	5.8x	0.8x
Indutrade AB (publ)	 Indutrade	SWE	\$7,744	\$8,550	\$2,770	16.2%	26.5x	20.6x	18.7x	3.3x
Franklin Electric Co., Inc.	 Franklin Electric	USA	\$4,346	\$4,568	\$2,077	15.4%	19.5x	15.3x	13.8x	2.2x
Rotork plc	 rotork	GBR	\$3,345	\$3,216	\$773	22.7%	17.9x	17.0x	17.3x	4.1x
Valmet Oyj	 Valmet FORWARD	FIN	\$5,970	\$6,519	\$5,905	11.6%	10.8x	9.1x	9.7x	1.2x
Interpump Group S.p.A.	 INTERPUMP GROUP	ITA	\$5,893	\$6,495	\$2,370	23.2%	18.0x	12.5x	12.4x	2.9x
Flowserve Corporation	 FLOWSERVE	USA	\$4,458	\$5,518	\$3,774	10.0%	10.8x	12.2x	13.8x	1.5x



## Mid Cap Pumps and Valves Global Comparable Public Companies (Continued)

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
ITT Inc.	 ITT	USA	\$7,146	\$7,131	\$3,059	19.3%	18.8x	11.8x	12.1x	2.4x
Pentair plc	 PENTAIR	GBR	\$9,116	\$11,406	\$4,151	21.2%	18.6x	12.3x	13.0x	2.8x
Sulzer Ltd	 SULZER	CHE	\$2,863	\$3,148	\$3,439	7.9%	10.5x	7.8x	10.3x	0.9x
Watts Water Technologies, Inc.	 WATTS <small>Watts Water Technologies, Inc.</small>	USA	\$5,615	\$5,500	\$1,988	18.9%	18.2x	14.0x	14.6x	2.8x
■ Excluded from mean and median						<b>Mean</b>	14.7x	11.6x	12.1x	2.5x
						<b>Median</b>	17.9x	12.2x	12.4x	2.4x

## Large Cap Pumps and Valves Global Comparable Public Companies

Company	Country	Market Cap. US\$M	Enterprise Value US\$M	Revenue US\$M	EBITDA Margin	Annual Average EV/EBITDA		First Quarter Mar. 31, 2023		
						2021	2022	EV/EBITDA	EV/Revenue	
Alfa Laval Corporate AB		SWE	\$14,756	\$16,091	\$5,372	17.8%	16.6x	15.1x	17.5x	3.2x
Baker Hughes Company		USA	\$29,203	\$33,565	\$22,037	14.0%	8.0x	9.3x	9.0x	1.6x
Dover Corporation		USA	\$21,237	\$24,751	\$8,535	20.4%	16.6x	13.6x	13.7x	2.9x
Emerson Electric Co.		USA	\$49,792	\$63,896	\$20,311	24.1%	15.1x	13.9x	13.1x	3.2x
Graco Inc.		USA	\$12,265	\$12,053	\$2,179	30.7%	23.0x	18.2x	18.5x	5.6x
Ingersoll Rand Inc.		USA	\$23,560	\$24,881	\$6,209	22.6%	23.1x	18.4x	18.3x	4.2x
Parker-Hannifin Corporation		USA	\$43,111	\$56,366	\$18,157	21.1%	15.6x	13.0x	14.8x	3.3x
Spirax-Sarco Engineering plc	<i>Spirax-Sarco Engineering plc</i>	GBR	\$10,799	\$11,735	\$1,941	25.4%	32.2x	22.8x	21.7x	5.9x
WEG S.A.		BRA	\$33,603	\$33,492	\$6,077	19.2%	42.3x	27.6x	30.4x	5.7x
Xylem Inc.		USA	\$18,875	\$20,138	\$5,698	16.4%	24.4x	19.7x	20.4x	3.6x
						<b>Mean</b>	17.8x	16.0x	16.3x	3.9x
						<b>Median</b>	16.6x	15.1x	17.5x	3.5x

■ Excluded from mean and median



# Pumps and Valves Industry – Q1 Global Transactions

Date	Target	Country	Description	Buyer	Seller	% Acquired	Size US\$M	EV/ EBITDA	EV/ Revenue
Mar-23		FRA	Sells and repairs electromechanical and pumping equipment		-	100.0%	-	-	-
Mar-23		USA	Manufactures and services new and refurbished vacuum pumps, chillers, and abatement products		-	100.0%	-	-	-
Mar-23		FRA	Designs, produces, sales, and distributes tools and equipment for the manufacture and maintenance of tubular heat exchangers, valves, and piping			100.0%	-	-	-
Feb-23		CAN	Designs, manufactures, and markets industrial valves		Kernwood Limited, Velan Holding	100.0%	\$245.0	11.7x	0.6x
Feb-23		JPN	Manufactures and sells fittings, valves, hoses, and pipes		INTERNATIONAL FUND MANAGEMENT LIMITED NAV	89.1%	\$159.1	4.6x	1.1x
Feb-23		USA	Offers PTO's, hydraulic pumps and motors as well as complete hydraulic drive systems		-	100.0%	\$40.0	-	1.6x
Jan-23		USA	Manufactures ball valves, actuators, and controls for all industrial applications		-	100.0%	-	-	-
Jan-23		SWE	Manufactures and sells industrial engineering equipment such as pressure testing, liquid pumps, pressure amplifiers, hydraulic systems, and high-pressure couplings		-	70.0%	-	-	-
Sep-21		USA	Engineers and manufactures water purification solutions		-	100.0%	-	-	-
Jan-23		USA	Provides water treatment solutions			100.0%	\$7,657.6	17.0x	4.2x
Jan-23		NLD	Sells valves, tubes, pumps, filters and heat exchangers			100.0%	-	-	-
Jan-23	Crypump Service and Distribution business	KOR	Services and distributes cryopumps			100.0%	-	-	-
Feb-23		USA	Manufactures pumps, motors and pump/motor combinations		-	100.0%	\$75.0	-	2.1x
Mar-23		GBR	Manufactures CNC machining equipment such as pump housings, rotors, shafts, bearing housings		-	100.0%	-	-	-

Sources: Capital IQ, Merger Markets, World Pumps

Mean 8.1x  
Median 8.1x

# Representative Global Engagements

 has acquired 	 has acquired 	 has sold Triumph Processing - Embee Division to 	 has sold Triumph Air Repair & Triumph Engines businesses to 	 has acquired unified brands from 	 has partnered with  a company backed by 	 has acquired 	 has sold the North American guarding business of  to 	 has sold  to 	 has sold  to 	 a subsidiary of  has sold  to 
 has sold  to Daives Baird Pty Ltd a sister company of 	 has acquired 	 has sold  to Code Flower Inc.	 has sold its GRACE Membranes Business  a subsidiary of 	 has sold  and  to 	 has sold a controlling interest to 	 has been acquired by 	 has sold SENSI CARE and ALOE+VESTA to 	 has sold their Sanitaryware Manufacturing Plant to 	 has acquired Multiple snack companies   	 has sold  to 
 has sold Commercial Flight Training Business to 	 has been acquired by 	 has sold Oxbow Sulphur, Inc. to 	 has been acquired by 	 has sold  to 	 has acquired 	 has acquired 	 has acquired 	 has sold its SYCAR Resins business to 	 has sold  to Private Equity Partners	 has been acquired by 
 has sold  to 	 has acquired  KFC Costa Rica from 	 has been acquired by 	 has sold  to 	 has sold the Films Business of  to 	 has been acquired by 	 has sold  to 	 Oxbow's Senior Subordinated debt issued by  was refinanced by 	 has sold  to 	 has acquired  from THE MOORE COMPANY	 sold its concrete pumping business to 



# Advisor to Leading Companies Worldwide



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Please contact us if you would like further information about M&A trends and/or specific transaction multiples for your industry

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**Creative Solutions. Trusted Advice.**

For over 20 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.

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YEARS OF EXPERIENCE

**\$50B+**  
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GLOBALLY

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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.





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Creative Solutions. Trusted Advice.