

# Flow control

## Industry Update

Q2 2024

### Selected M&A highlights

- Jun-24: **Ingersoll Rand (NYSE:IR)** has acquired **CAPS Australia**, an Australia based distributor, designer, and manufacturer of compressed air and air separation equipment for **AUD 150m** (KPMG M&A advised CAPS Australia)
- Jun-24: **Kadant (NYSE:KAI)** has acquired **Dynamic Sealing Technologies**, a US based provider of fluid rotary union and swivel joint products for various industries for **USD 55m**
- Jun-24: **Interpump Group (BIT:IP)** has acquired **Alfa Valvole Srl**, an Italy-based manufacturer of ball valves, from **IDEX Corp (NYSE:IEX)** for **EUR 55m (EV/EBITDA: 7.6x)**
- Jun-24: **Wynnchurch Capital**, has acquired **Hydraulic Technologies**, a US-based manufacturer of high-pressure hydraulic tools and equipment, from **SPX FLOW Inc**, a portfolio company of **Lone Star**
- May-24: **Motion & Control Enterprises LLC**, has acquired **General Machinery Co Inc**, a US-based distributor of automation & electrical products, process pumps, compressed air products, and related repair services
- May-24: **Indutrade AB (STO:INDT)**, has acquired **CH Rustfri Danmark ApS**, a Denmark-based company engaged in installation and assembly of pipes, process equipment, and vessels for food and beverage industry
- May-24: **Atlas Copco (STO: ATCO-A)** acquired MEISA, a Mexico based provider of vacuum pumps and related services to industrial customers
- May-24: **Tinicum**, a US-based private equity firm has acquired **Wilnat Inc**, a US-based distributor and servicer of meters, regulators, valves, and other critical measuring and flow control equipment primarily serving utilities and municipalities, from **Compass Group Equity Partners**
- May-24: **Nordson (Nasdaq: NDSN)** agreed to acquire **Atrion Corp (Nasdaq: ATRI)**, a US based supplier of proprietary medical infusion fluid delivery and niche cardiovascular solutions for **USD 812m (EV/EBITDA: 20.5x)**
- Apr-24: **NVM PE**, a UK-based private equity firm has acquired **MRO+ Solutions Ltd**, a UK-based manufacturing and engineering business of industrial valves from **Cairngorm Capital Partners**
- Apr-24: **Ingersoll Rand (NYSE:IR)** has acquired **Controlled Fluidics LLC**, a US-based company active in creating fluidic manifolds and **Ethafilter Srl**, an Italy-based company that produces filters and filter elements for the compressed air sector
- Apr-24: **TerraVest Industries Inc (TSE:TVK)** has acquired **Advanced Engineered Products Inc**, a US-based supplier of nozzle dams and other products and services for the commercial nuclear power industry from **Curtiss-Wright Corp (NYSE:CW)**
- Apr-24: **MegaGroup**, a portfolio company of **Sun Capital Partners**, has acquired **Anchor Pumps Co Ltd**, a UK-based supplier of industrial and domestic water pumps

Flow Control Focused				EV/Revenue			EV/EBITDA			EV/EBIT			2 Year CAGR				
				Revenue (GBPm)			EBITDA (GBPm)			EBIT (GBPm)			2023 2025				
				Revenue growth			EBITDA %			EBIT %							
Company	Country	Year end date	Market cap (GBPm)	Net debt / (cash)	Adj EV (GBPm)	Net debt / EBITDA (2024)	2023	2024	2025	2023	2024	2025	2023	2024	2025	Sales	EBITDA
Flowsolve		Dec-23	5,011	683	5,728	1.4x	1.7x	1.6x	1.5x	15.1x	12.0x	10.9x	19.4x	14.0x	12.5x	6%	18%
							3,392	3,621	3,781	379	479	527	295	410	460	13%	7%
Gorman-Rupp		Dec-23	761	295	1,056	3.1x	2.0x	1.9x	1.9x	11.8x	11.1x	10.7x	16.7x	14.4x	13.7x	5%	5%
							518	546	569	89	96	99	63	73	77	20%	5%
IDEX		Dec-23	12,051	574	12,624	0.8x	4.9x	4.8x	4.6x	17.8x	17.2x	15.8x	22.7x	21.0x	19.1x	4%	6%
							2,570	2,636	2,774	711	734	797	557	600	661	(3%)	3%
IMI plc		Dec-23	4,592	637	5,278	1.2x	2.4x	2.3x	2.2x	11.1x	9.9x	9.2x	14.3x	12.1x	11.1x	4%	10%
							2,196	2,256	2,367	477	534	575	370	437	474	7%	3%
KITZ		Dec-23	501	42	551	0.4x	0.6x	0.7x	0.6x	4.7x	5.1x	4.8x	6.3x	7.6x	6.9x	(2%)	(1%)
							930	841	898	117	108	116	88	73	80	(8%)	(10%)
Rotork		Dec-23	2,875	(134)	2,743	n/a	3.8x	3.6x	3.5x	15.4x	14.5x	13.5x	16.9x	15.7x	14.6x	5%	7%
							719	752	793	178	189	203	163	175	188	12%	5%
Spirax-Sarco		Dec-23	6,244	763	7,044	1.8x	4.2x	4.1x	3.8x	17.7x	16.3x	14.7x	22.9x	19.4x	17.4x	5%	10%
							1,683	1,734	1,848	397	433	479	308	362	405	4%	3%
Min							0.6x	0.7x	0.6x	4.7x	5.1x	4.8x	6.3x	7.6x	6.9x	(2%)	(1%)
Mean							2.8x	2.7x	2.6x	13.4x	12.3x	11.4x	17.0x	14.9x	13.6x	4%	8%
Median							2.4x	2.3x	2.2x	15.1x	12.0x	10.9x	16.9x	14.4x	13.7x	5%	7%
Max							4.9x	4.8x	4.6x	17.8x	17.2x	15.8x	22.9x	21.0x	19.1x	6%	18%

Source: CapIQ

Note: (a) Multiples are based on enterprise value as of 30-Jun-24 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nmf": not meaningful; "n/a": not available.

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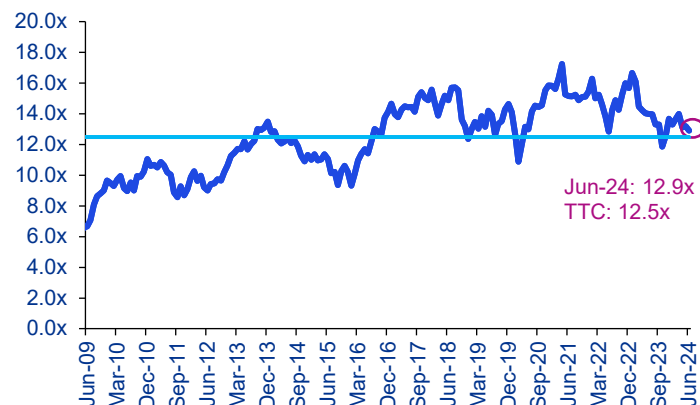
Flow Control - Diversified							EV/Revenue Revenue (GBPm) Revenue growth			EV/EBITDA EBITDA (GBPm) EBITDA %			EV/EBIT EBIT (GBPm) EBIT %			2 Year CAGR 2023 2025	
Company	Country	Year end date	Market cap (GBPm)	Net debt / (cash)	Adj EV (GBPm)	Net debt / EBITDA (2024)	2023	2024	2025	2023	2024	2025	2023	2024	2025	Sales	EBITDA
Alfa Laval	Sweden	Dec-23	14,321	739	15,087	0.7x	3.0x 4,965 20%	2.9x 5,179 4%	2.8x 5,478 6%	16.7x 904 18%	15.2x 993 19%	14.1x 1,070 20%	20.2x 748 15%	17.8x 846 16%	16.4x 921 17%	5%	9%
Atlas Copco	Sweden	Dec-23	69,198	1,369	70,571	0.4x	5.2x 13,479 20%	5.3x 13,429 (0%)	4.9x 14,267 6%	20.2x 3,501 26%	19.8x 3,557 26%	18.5x 3,812 27%	22.7x 3,114 23%	23.5x 2,997 22%	22.0x 3,215 23%	3%	4%
Crane Co.	USA	Dec-23	6,557	118	6,677	0.3x	4.1x 1,638 (3%)	3.7x 1,824 11%	3.4x 1,953 7%	24.7x 270 16%	19.1x 350 19%	16.8x 397 20%	29.7x 225 14%	21.4x 312 17%	18.6x 359 18%	9%	21%
Curtiss-Wright	USA	Dec-23	8,212	652	8,864	1.3x	4.0x 2,234 5%	3.7x 2,394 7%	3.5x 2,512 5%	17.9x 494 22%	17.4x 510 21%	16.2x 547 22%	23.4x 379 17%	21.2x 417 17%	19.5x 455 18%	6%	5%
Dover	USA	Dec-23	19,623	2,385	22,008	1.6x	3.3x 6,625 (6%)	3.2x 6,821 3%	3.1x 7,090 4%	16.1x 1,363 21%	15.0x 1,465 21%	14.1x 1,563 22%	21.0x 1,048 16%	18.5x 1,190 17%	17.2x 1,279 18%	3%	7%
Emerson	USA	Sep-23	49,868	7,219	61,743	1.9x	4.8x 12,922 2%	4.4x 14,089 9%	4.2x 14,853 5%	18.6x 3,317 26%	16.6x 3,713 26%	15.3x 4,048 27%	29.2x 2,113 16%	26.8x 2,305 16%	21.7x 2,851 19%	7%	10%
EnPro	USA	Dec-23	2,413	417	2,830	2.0x	3.4x 832 (9%)	3.3x 860 3%	3.1x 919 7%	15.2x 186 22%	13.6x 208 24%	12.4x 228 25%	26.9x 105 13%	19.3x 147 17%	16.7x 169 18%	5%	11%
Graco	USA	Dec-23	10,610	(456)	10,154	n/a	5.9x 1,724 (3%)	5.8x 1,750 2%	5.5x 1,836 5%	19.1x 531 31%	17.7x 573 33%	16.6x 612 33%	22.7x 447 26%	19.9x 510 29%	18.6x 547 30%	3%	7%
Halma	UK	Mar-24	10,207	653	10,858	1.3x	5.5x 1,989 12%	5.1x 2,124 7%	4.8x 2,242 6%	23.7x 458 23%	21.5x 504 24%	20.1x 540 24%	29.7x 365 18%	24.7x 440 21%	22.6x 480 21%	6%	9%
Ingersoll Rand	USA	Dec-23	28,998	1,047	30,096	0.7x	5.6x 5,398 10%	5.2x 5,777 7%	4.9x 6,140 6%	22.5x 1,335 25%	19.0x 1,582 27%	17.6x 1,714 28%	32.8x 917 17%	25.1x 1,200 17%	22.7x 1,323 22%	7%	13%
ITT	USA	Dec-23	8,412	178	8,562	0.3x	3.3x 2,577 4%	3.0x 2,890 12%	2.8x 3,056 6%	17.1x 501 19%	14.1x 608 21%	12.9x 665 22%	21.9x 390 15%	16.9x 507 18%	15.2x 564 18%	9%	15%
Kadant	USA	Dec-23	2,730	181	2,920	1.0x	3.9x 752 0%	3.5x 839 12%	3.3x 877 5%	18.4x 159 21%	16.2x 180 21%	15.2x 192 22%	23.4x 125 17%	20.6x 142 17%	19.0x 153 17%	8%	10%
Nordson Corporation	USA	Oct-23	10,510	1,219	11,730	1.8x	5.4x 2,175 (4%)	5.5x 2,142 (2%)	5.2x 2,256 5%	17.8x 660 30%	17.6x 667 31%	16.3x 720 32%	23.5x 500 23%	20.9x 562 26%	19.0x 619 27%	2%	4%
Parker Hannifin	USA	Jun-23	51,446	8,674	60,128	2.2x	3.9x 15,309 6%	3.7x 16,046 5%	3.6x 16,843 5%	16.8x 3,585 23%	15.3x 3,936 25%	14.3x 4,218 25%	21.9x 2,752 18%	17.8x 3,374 21%	17.1x 3,509 21%	5%	8%
Sulzer	Switzerland	Dec-23	3,698	161	3,810	0.4x	1.2x 3,060 7%	1.3x 3,034 (1%)	1.2x 3,150 4%	9.6x 398 13%	9.0x 425 14%	8.6x 445 14%	14.6x 262 9%	11.4x 333 11%	10.8x 352 11%	1%	6%
Xylem	USA	Dec-23	26,019	1,130	27,156	0.8x	4.7x 5,781 26%	4.0x 6,774 17%	3.8x 7,146 5%	26.9x 1,011 17%	19.7x 1,377 20%	18.0x 1,509 21%	43.2x 629 11%	25.1x 1,083 16%	22.4x 1,214 17%	11%	22%
Min							1.2x	1.3x	1.2x	9.6x	9.0x	8.6x	14.6x	11.4x	10.8x	1%	4%
Mean							4.2x	4.0x	3.8x	18.8x	16.7x	15.4x	25.4x	20.7x	18.7x	6%	10%
Median							4.0x	3.7x	3.5x	18.2x	17.0x	15.7x	23.4x	20.7x	18.8x	6%	9%
Max							5.9x	5.8x	5.5x	26.9x	21.5x	20.1x	43.2x	26.8x	22.7x	11%	22%

Source: CapIQ

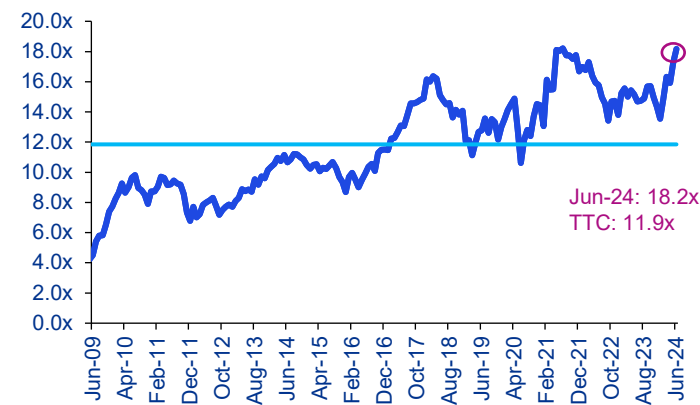
Note: (a) Multiples are based on enterprise value as of 30-Jun-2024 and historical and forecast sales, EBITDA and EBIT, calendarised to 31 December. "nfm": not meaningful; "n/a": not available.

## Public company valuations – through the cycle (EV/LTM EBITDA)

### Flow Control – Focused











































### Flow Control – Diversified



Source: CapIQ

## M&A Transaction History

Date	Target company	Country	Target Description	Acquirer company	Country	EV (m)	EV/ EBITDA
Jun-24	Alfa Vavole		Manufacturer of ball valves	Interpump Group		EUR 55	7.6x
May-24	Atrion		Supplier of proprietary medical infusion fluid delivery and niche cardiovascular solutions	Nordson		USD 812	20.5x
Mar-24	ILC Dover		Developer and manufacturer of engineered products using high-performance flexible materials for the life sciences industries	Ingersoll Rand		USD 2,325	20.3x
Jan-24	Vian Enterprises Inc		Manufacturer of aerospace oil lubrication systems	Crane Co		USD 103	12.9x
Nov-23	Svanehoj Group		Manufacturer of pumps for the marine and oil & gas industries	ITT		USD 395	12.0x
Jun-23	CIRCOR		Provider of mission critical flow control products and services for the industrial and aerospace & defence markets	KKR & Co		USD 1,700	12.8x
Jun-23	ARAG		Engaged in the development, production and supply of precision control systems and smart fluid components for agricultural spraying	Nordson		EUR 960	16.5x
Mar-23	Pfeiffer Vacuum Technology (36% stake)		Manufacturer of vacuum components offering turbopumps, leak detectors and pumping stations	Pangea (Busch Group)		EUR 477	8.3x
Feb-23 (Aborted)	Velan		Manufacturer of highly engineered valves serving nuclear, cryogenic and defence markets	Flowserve Corporation		USD 245	10.2x
Sep-22	Muon Group		Manufacturer of precise flow paths for critical applications in medical technologies, semiconductor, food processing, digital printing and filtration	IDEX Corporation		EUR 700	15.2x
Apr-22	Tuthill Corporation (Fill-Rite and Sotera Division)		Provider of rugged, high performance liquid transfer pumps and mechanical and digital meters and precision weights	Gorman-Rupp Company		USD 525	15.2x
Dec-21	Acme Cryogenics		Manufacturer of precision engineered products for production and distribution of cryogenic liquids and industrial gases	Dover Corporation		USD 295	18.0x
Dec-21	Engineered Controls International		Manufacturer of valves and regulators	Dover Corporation		USD 630	12.0x
Dec-21	SPX Flow		Supplier of highly engineered flow components, process equipment and turn key systems along with the related aftermarket parts and services	Lone Star		USD 3,800	17.1x
Jul-21	Neles		Flow control solutions and services company specialised in valves and valve automation technologies	Valmet		EUR 2,000	18.2x
Jul-21 (Aborted)	SPX Flow		Supplier of highly engineered flow components, process equipment and turn key systems along with the related aftermarket parts and services	Ingersoll Rand		USD 3,528	17.2x
Jun-21	BioDot (Artemis Capital Partners)		Manufacturer of premium non-contact and quantitative fluid dispensing systems	ATS Automation Tooling Systems		USD 84	5.6x
Jun-21	Tiger Filtration		Manufacturer of alternative in-line filter elements, vacuum pumps, separators, high pressure stainless steel filter housings	Xebec Adsorption		USD 17	10.6x
Jun-21	Barber-Nichols		Manufacturer of turbomachines, compressors and pumps	Graham Corporation		USD 84	11.0x
Jun-21	Airtech (EagleTree Capital)		Manufacturer of industry blowers, vacuums, pumps and valves	IDEX Corporation		USD 470	16.0x
Jun-21	Lydall Inc		Leader in the design and production of specialty filtration materials and advanced material solutions	Unifrax		USD 1,444	15.3x
Dec-20	UTG Mixing Group		Global provider of mixing solutions	SPX Flow		EUR 34	19.8x
Dec-20	Ham-Let		Israel-based manufacturer of compression fittings and valves	Ultra Clean		GBP 256	14.5x
Jul-20 (Aborted)	Neles		Flow control solutions and services company specialised in valves and valve automation technologies	Alfa Laval		EUR 1,796	16.3x

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Source: Company announcements, Mergermarket and Broker estimates

## M&A Transaction History (cont.)

Date	Target company	Country	Target Description	Acquirer company	Country	EV (m)	EV/ EBITDA
Jan-20	Flow Management Devices		Manufactures a comprehensive line of Unidirectional Captive Displacement Provers	IDEX Corporation		USD 125	10.4x
Dec-19	Circor (Sampling Business)		Designs and manufactures highly engineered products and sub-systems	Crane		USD 172	10.0x
Nov-19	SPX Flow (Power & Energy)		Power and energy focused flow control business of SPX FLOW	Apollo		GBP 369	6.5x
Aug-19	Circor (Spence & Nicholson product lines)		Manufacture of steam management products for the district heating market	Emerson		GBP 70	12.3x
Aug-19	PBM Valves		Manufacture of high-quality industrial valves and flow control products	IMI		GBP 70	12.5x
Jul-19	Velcora		Manufacture of mechanical seals for rotating machinery and aseptic processing equipment	IDEX Corporation		USD 137	13.0x
Jun-19 (Aborted)	Circor		Manufacture of engineered industrial products for various industrial end markets	Crane		USD 1,615	12.0x
Apr-19	Gardner Denver		Manufactures mission critical flow products	Ingersoll Rand		USD 15,369	11.0x
Feb-19	Rheinutte Pumpen		Design and manufacture of centrifugal and axial flow pumps	ITT		GBP 70	9.0x
Feb-19	Precision Flow Systems		Design and manufacture positive displacement pumps and systems for the water, food & beverage, pharma and other markets	Ingersoll Rand		EUR 1,238	13.0x
Feb-19	Weir (Flow Control)		Design and manufacture of engineered valves and pumps serving power, energy and general industrial markets	First Reserve		GBP 275	8.6x
May-18	Aventics		Manufacture of pneumatic components and systems	Emerson		GBP 460	11.9x
Feb-18	Faster		Manufacture of couplings, check valves, multi fasters, casting solutions and accessories	Sun Hydraulics		GBP 431	14.7x
Dec-17	CEME		Manufacture of fluid control components for small appliances.	Invest-Industrial		GBP 333	19.3x
Dec-17	BIMBA		Manufacture of pneumatic, hydraulic and electric motion solutions	IMI		GBP 147	14.9x
Sep-17	COLFAX		Manufacture fluid-handling components and systems	Circor		GBP 637	12.3x
Apr-17	Gestra		Design and production of valves and control systems for steam and fluid process control	Spirax Sarco		GBP 159	11.2x
Apr-17	Pentair (Valves and Controls)		Valves & Controls segment of Pentair involved design, manufacture and service of valves, fittings and controls systems	Emerson		GBP 2,259	14.1x
Feb-17	Inoxpa		Manufacturer of process equipment and flow handling systems for the food, cosmetics and pharmaceutical industries	Interpump Group		EUR 90	6.6x
Dec-16	Clarcor		Manufacture of filtration products and systems as well as consumer and industrial packaging products	Parker		GBP 3,367	17.2x
Nov-16	Aflex House		Manufacture of PTFE-lined flexible hoses for the pharmaceutical, food, chemical and automotive industries	Spirax Sarco		GBP 61	10.2x
Oct-16	Critical Flow Solutions		Manufacture of critical severe-service decoking valves and fluid catalytic cracking valves	Circor		USD 210	8.5x
Aug-16	Sensus		Manufacture of regulators, water meters, flow sensors, valves and sensor reading devices	Xylem		USD 2,245	14.1x
Dec-15	Red Valve		Manufacture of pinch valves for mission critical applications in water, power and mining markets	Hillenbrand		USD 132	10.9x
Min							5.6x
Mean							13.1x
Median							12.7x
Max							20.5x

## KPMG's Global Flow Control Credentials

   acquired by  <b>2024</b>	   acquired by  <b>2024</b>	   Industrie Mécanique pour les Fluides acquired by  <b>2024</b>	   acquired by  <b>2023</b>	   acquired by  <b>2022</b>
   acquired by  <b>2022</b>	   acquired by  <b>2022</b>	   acquired by  <b>2020</b>	   acquired by  <b>2019</b>	   acquired by  <b>2019</b>
   acquired by  <b>2018</b>	   acquired by  <b>2018</b>	   acquired by  <b>2017</b>		

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