Shields & Company

INVESTMENT BANKERS

Industrial Products & Services

Sector Update

Q3 2026



Shields & Company, Inc. is a FINRA Registered Broker-Dealer and a member of SIPC.

M&A Activity Slowed and Stocks Underperformed

M&A Summary

- U.S. M&A deal activity slowed significantly in Q3. Quarterly M&A volume fell to 3,513 closed transactions, a 14% decrease compared to Q3 2025. As a result, year-to-date (YTD) transaction volume was down approximately 3% compared to the same period in 2025. M&A activity declined in Q3 due to the hawkish interest rate outlook, continued inflation above the Fed's target, increasing geopolitical tensions, uncertainty regarding the economy and the upcoming midterm elections, and concerns about AI negatively impacting certain industries.

- The Industrial Products & Services sector showed a similar decline with transaction closings falling 17% compared to Q3 2025. As a result, YTD transaction volume finished 2% above transaction activity observed in the same period last year.

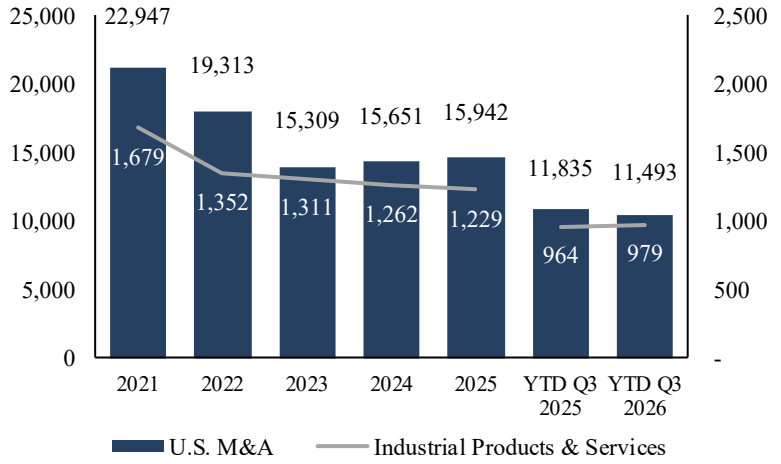
- Economic and geopolitical uncertainty is likely to continue weighing on the M&A market and may provide ongoing headwinds.

Public Company Performance

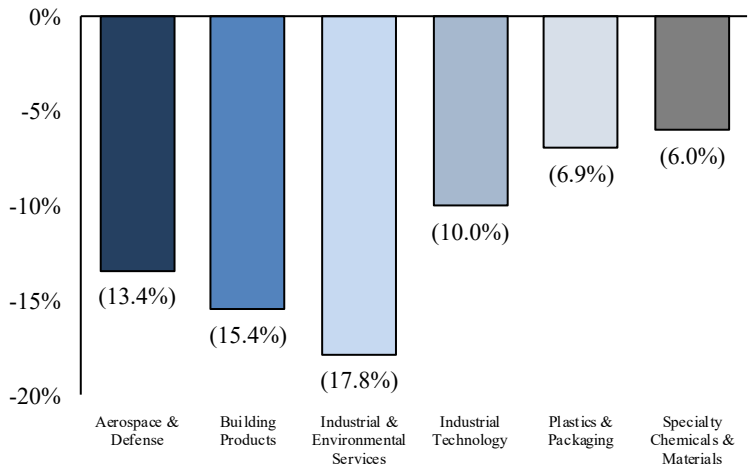
- Our Industrial Products & Services peer groups performed poorly during Q3. All six subsectors generated negative returns and underperformed the S&P 500, which returned 2.2% in Q3.

- At the end of Q3, the sector median TEV/LTM EBITDA multiple was 11.8x. The highest multiple subsectors were Industrial Technology (18.9x), Industrial & Environmental Services (14.9x), and Aerospace & Defense (13.9x).

M&A Transaction Volume



Q3 2026 Peer Group Returns (1)

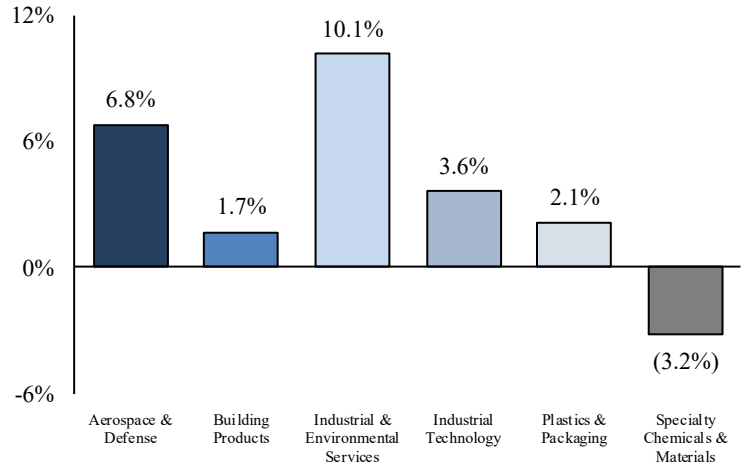


Select Industrial Products & Services Transactions

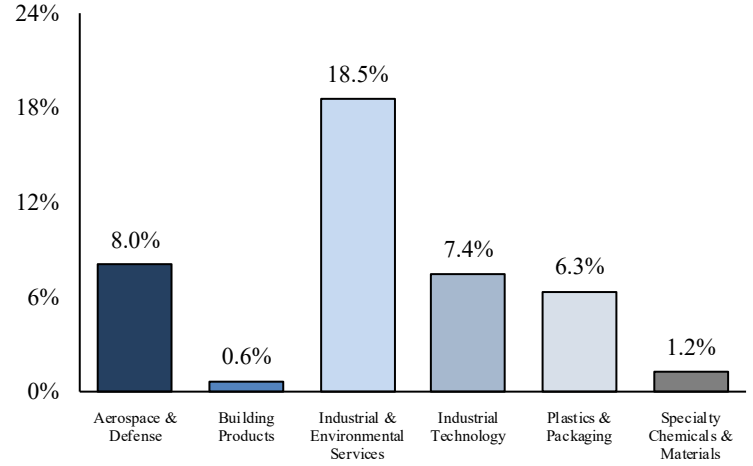
Date	Target	Description	Buyer
Sep-26	ES&H Consulting	Environmental, Safety & Health Consulting Services, Inc. provides environmental cleanup and emergency response services.	Clean Harbors, Inc.
Sep-26	JCM Engineering Corp.	JCM Engineering Corp. manufactures precision machine components and assemblies for aerospace, defense, commercial, and medical industries.	High Tech Solutions LLC
Sep-26	M & N Plastics, Inc.	M & N Plastics, Inc. designs and manufactures specialized plastic packaging products.	New Water Capital, L.P.
Sep-26	Safe-Way Garage Doors LLC	Safe-Way Garage Doors LLC manufactures and distributes residential, commercial, and industrial overhead garage doors.	Point 41 Capital Partners, L.P.
Sep-26	FSI Filtration LLC	FSI Filtration LLC manufactures and distributes air filtration products and provides related HVAC services.	Filtration Solutions Group
Aug-26	Atech Turbine Components, Inc.	Atech Turbine Components, Inc. provides repair and overhaul services for non-rotating hot-section components for aircraft engines.	VSE Corporation
Aug-26	Omnetics Connector Corporation	Omnetics Connector Corporation designs and manufactures high-reliability electronic connectors and interconnection systems.	Arxis, Inc.
Aug-26	Filtration Group Corporation	Filtration Group Corporation designs and manufactures filtration products such as overspray collectors, filters, gas-phase air filtration systems, custom air filters, and dust collection filters.	Parker-Hannifin Corporation
Aug-26	Cloeren Incorporated	Cloeren Incorporated develops and manufactures machinery for plastics processing. The company offers extrusion feed blocks, extrusion dies, and ancillary equipment.	Dover Corporation
Aug-26	Kleiss Gears, Inc.	Kleiss Gears, Inc. now operating as Kleiss High Precision, LLC manufactures precision injection-molded thermoplastic components.	The Heico Companies LLC
Aug-26	Gentry Plastics, Inc.	Gentry Plastics, Inc. manufactures and sells plastic products and parts to the aerospace, agricultural, packaging, plumbing, and other sectors.	Le Sueur Incorporated
Jul-26	Parker Manufacturing Group	Parker Manufacturing Group manufactures and sells precision fasteners such as hex head, socket, and specialty fasteners.	Edgewater Growth Capital Partners V, L.P.
Jul-26	Tangent Technologies, LLC	Tangent Technologies, LLC manufactures high-density polyethylene plastic lumber from recycled plastic.	Platinum Equity, LLC
Jul-26	Environmental & Chemical Consulting Inc.	Environmental & Chemical Consulting Inc. provides hazardous material cleanup and disposal services for industrial and retail clients.	VLS Environmental Solutions, LLC
Jul-26	Powder Alloy Corporation	Powder Alloy Corporation manufactures and supplies metal, ceramic, and carbide powders.	AE Industrial Partners, LP
Jul-26	Aerospace Contacts, LLC	Aerospace Contacts, LLC manufactures custom machined contacts and components for harsh environment connector applications.	ITT Inc.

Public Company Operating Metrics

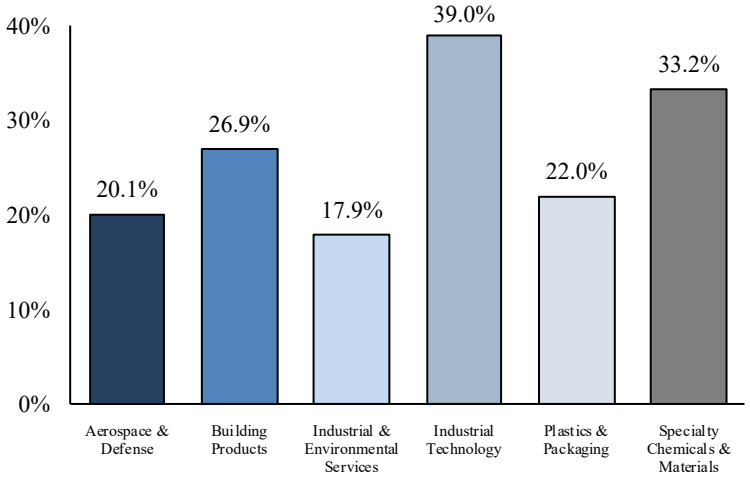
3-Year Revenue CAGR (2)



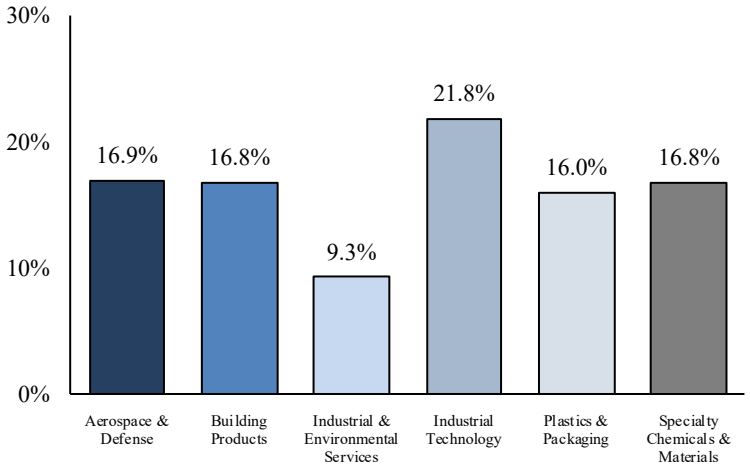
3-Year EBITDA CAGR (2)



LTM Gross Margin (2)

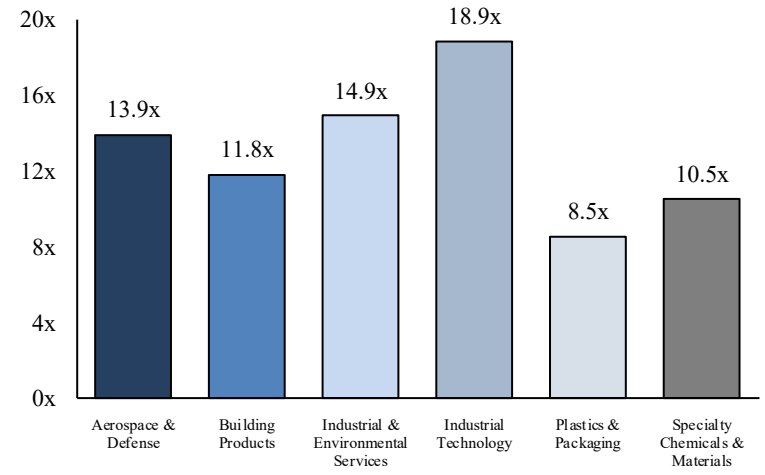


LTM EBITDA Margin (2)

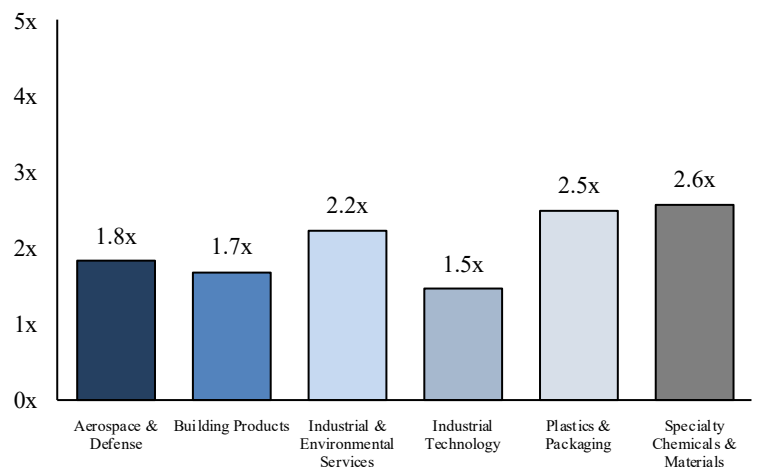


Public Company Valuation Metrics

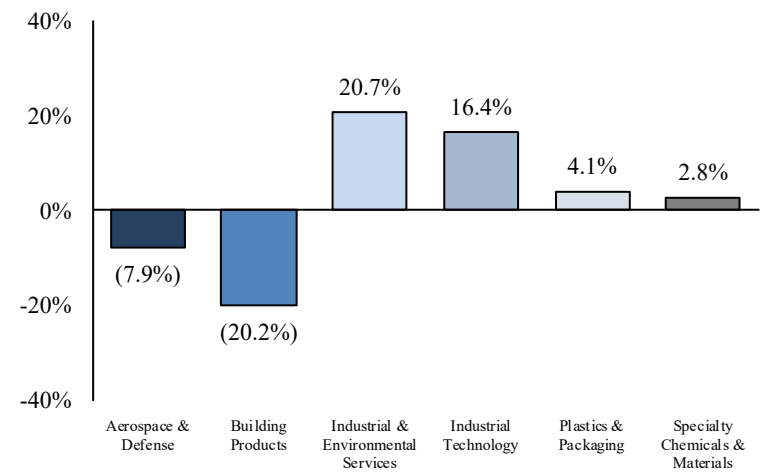
TEV/LTM EBITDA (2)



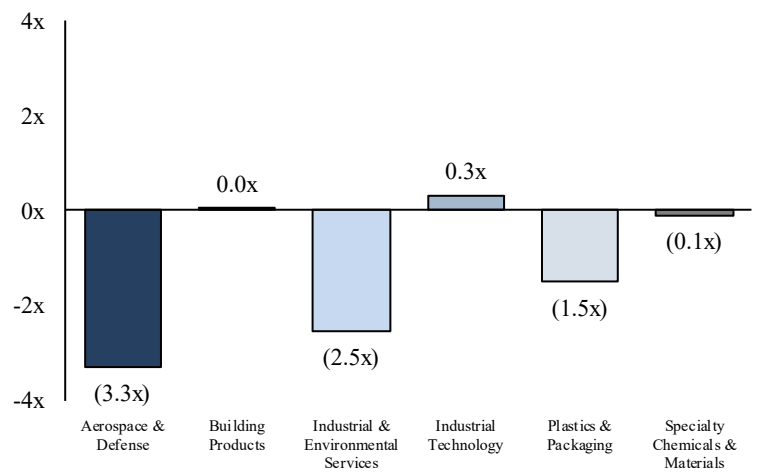
Net Debt/LTM EBITDA (2)



LTM Change in Stock Price (1)



LTM Change in EBITDA Multiple (2)



3-Year Stock Return (1)



3-Year LTM EBITDA Multiple [2]



Industrial Technology
18.9x

Industrial & Environmental Services
14.9x

Aerospace & Defense [3]
13.9x

Building Products
11.8x

Specialty Chemicals & Materials
10.5x

Plastics & Packaging
8.5x

PUBLIC COMPARABLE COMPANIES [4] [5]

($ in millions)	TEV	Latest Twelve Months Revenue	Latest Twelve Months Gross Profit	Latest Twelve Months EBITDA	TEV / LTM Revenue	TEV / LTM EBITDA	TEV / EBITDA 2026P	TEV / EBITDA 2027P
Aerospace & Defense								
General Dynamics Corporation	$92,827	$54,861	$8,435	$6,633	1.7x	14.0x	13.6x	12.5x
General Electric Company	$333,459	$50,639	$15,724	$11,483	6.6x	29.0x	27.8x	24.4x
Honeywell Aerospace Inc.	$63,988	$17,915	$6,187	$3,538	3.6x	18.1x	13.6x	12.3x
L3Harris Technologies, Inc.	$54,538	$22,932	$5,844	$4,142	2.4x	13.2x	12.7x	11.8x
Lockheed Martin Corporation	$134,277	$77,014	$9,086	$9,680	1.7x	13.9x	11.9x	11.3x
Northrop Grumman Corporation	$81,141	$42,892	$8,604	$7,255	1.9x	11.2x	13.1x	12.2x
RTX Corporation	$281,056	$93,500	$19,024	$15,895	3.0x	17.7x	17.3x	15.9x
Textron Inc.	$15,474	$15,299	$2,697	$1,680	1.0x	9.2x	8.7x	7.8x
The Boeing Company	$173,674	$93,995	$4,427	($2,900)	1.8x	NM	40.1x	21.1x
			Aerospace & Defense Median		**1.9x**	**13.9x**	**13.6x**	**12.3x**
Building Products								
A. O. Smith Corporation	$8,118	$3,805	$1,468	$784	2.1x	10.4x	10.1x	9.5x
AAON, Inc.	$7,259	$1,932	$494	$300	3.8x	24.2x	20.2x	14.4x
Apogee Enterprises, Inc.	$931	$1,401	$327	$163	0.7x	5.7x	6.3x	5.0x
Armstrong World Industries, Inc.	$7,294	$1,695	$683	$449	4.3x	16.2x	11.9x	10.9x
Carlisle Companies Incorporated	$14,989	$5,097	$1,797	$1,214	2.9x	12.3x	11.7x	10.9x
Carrier Global Corporation	$56,155	$22,108	$5,459	$3,093	2.5x	18.2x	11.8x	11.0x
Fortune Brands Innovations, Inc.	$6,884	$4,392	$1,944	$738	1.6x	9.3x	8.6x	8.6x
Gibraltar Industries, Inc.	$2,378	$1,445	$368	$201	1.6x	11.8x	7.6x	6.8x
JELD-WEN Holding, Inc.	$1,347	$3,151	$480	$27	0.4x	NM	10.3x	8.5x
Lennox International Inc.	$13,799	$5,302	$1,767	$1,171	2.6x	11.8x	11.3x	10.5x
Louisiana-Pacific Corporation	$4,634	$2,469	$445	$257	1.9x	18.0x	16.8x	9.7x
Masco Corporation	$16,236	$7,620	$2,835	$1,508	2.1x	10.8x	10.6x	10.6x
MasterBrand, Inc.	$2,573	$2,777	$746	$166	0.9x	15.5x	11.0x	7.4x
Owens Corning	$14,186	$9,847	$2,583	$1,934	1.4x	7.3x	7.1x	6.6x
Quanex Building Products Corporation	$1,458	$1,863	$495	$210	0.8x	7.0x	6.8x	6.4x
Simpson Manufacturing Co., Inc.	$6,886	$2,422	$1,110	$579	2.8x	11.9x	11.6x	11.1x
Tecnoglass Holdings Inc.	$1,716	$1,050	$415	$222	1.6x	7.7x	7.8x	6.2x
Trex Company, Inc.	$4,684	$1,208	$461	$313	3.9x	15.0x	13.7x	12.4x
UFP Industries, Inc.	$3,863	$6,234	$1,005	$479	0.6x	8.1x	7.6x	6.6x
			Building Products Median		**1.9x**	**11.8x**	**10.6x**	**9.5x**

PUBLIC COMPARABLE COMPANIES (CONTINUED) [5]

($ in millions)	TEV	Latest Twelve Months Revenue	Latest Twelve Months Gross Profit	Latest Twelve Months EBITDA	TEV / LTM Revenue	TEV / LTM EBITDA	TEV / EBITDA 2026P	TEV / EBITDA 2027P
Industrial & Environmental Services								
Clean Harbors, Inc.	$18,846	$6,244	$2,014	$1,197	3.0x	15.7x	13.5x	13.3x
Dycom Industries, Inc.	$10,584	$6,880	$1,412	$932	1.5x	11.4x	9.7x	8.3x
EMCOR Group, Inc.	$32,363	$18,598	$3,613	$1,991	1.7x	16.3x	14.7x	13.3x
Enviri Corporation	$728	$2,123	$294	$43	0.3x	16.8x	5.3x	4.5x
IES Holdings, Inc.	$12,412	$3,986	$1,048	$551	3.1x	22.5x	18.8x	13.8x
Limbach Holdings, Inc.	$607	$684	$161	$59	0.9x	10.2x	7.5x	6.0x
MasTec, Inc.	$19,483	$16,109	$2,080	$1,308	1.2x	14.9x	12.2x	9.7x
Matrix Service Company	$48	$874	$64	$9	0.1x	5.6x	1.8x	1.5x
Mistras Group, Inc.	$849	$739	$233	$87	1.1x	9.8x	9.1x	8.2x
MYR Group Inc.	$4,426	$4,006	$500	$291	1.1x	15.2x	12.7x	10.6x
Primoris Services Corporation	$4,590	$7,284	$628	$322	0.6x	14.3x	16.4x	8.6x
Quanta Services, Inc.	$102,300	$32,905	$5,086	$3,045	3.1x	33.6x	24.7x	21.4x
Veolia Environnement SA	$56,165	$51,960	$9,282	$6,730	1.1x	8.3x	6.6x	6.3x
	Industrial & Environmental Services Median				**1.1x**	**14.9x**	**12.2x**	**8.6x**
Industrial Technology								
ABB Ltd	$175,216	$35,752	$14,389	$7,148	4.9x	24.5x	21.4x	19.0x
AMETEK, Inc.	$58,336	$7,864	$2,902	$2,501	7.4x	23.3x	22.0x	18.6x
Amphenol Corporation	$221,404	$29,012	$11,301	$9,464	7.6x	23.4x	19.0x	16.1x
ATS Corporation	$2,613	$2,121	$608	$219	1.2x	11.9x	9.8x	8.9x
Belden Inc.	$5,109	$2,865	$1,065	$455	1.8x	11.2x	8.4x	7.0x
Cognex Corporation	$9,798	$1,089	$750	$267	9.0x	36.6x	27.8x	23.6x
Flex Ltd.	$43,010	$29,267	$2,789	$2,123	1.5x	20.3x	15.6x	11.9x
Flowserve Corporation	$10,766	$4,634	$1,629	$717	2.3x	15.0x	12.3x	11.1x
Forgent Power Solutions, Inc.	$10,870	$1,420	$497	$249	7.7x	43.6x	25.5x	14.7x
Honeywell International Inc.	$91,967	$38,057	$13,895	$8,512	2.4x	10.8x	20.9x	18.1x
Hubbell Incorporated	$28,954	$6,224	$2,199	$1,516	4.7x	19.1x	17.1x	14.9x
IDEX Corporation	$18,043	$3,585	$1,604	$968	5.0x	18.6x	18.0x	16.8x
Littelfuse, Inc.	$10,762	$2,614	$1,029	$571	4.1x	18.9x	14.7x	12.3x
Pentair plc	$9,973	$4,012	$1,660	$1,035	2.5x	9.6x	9.7x	8.7x
Rockwell Automation, Inc.	$51,124	$8,973	$4,405	$2,092	5.7x	24.4x	22.6x	21.0x
Sensata Technologies Holding plc	$8,090	$3,775	$1,114	$773	2.1x	10.5x	9.1x	8.6x
Siemens Aktiengesellschaft	$292,385	$94,624	$37,241	$14,603	3.1x	20.0x	16.4x	14.8x
TE Connectivity plc	$65,836	$19,322	$6,979	$4,951	3.4x	13.3x	12.3x	11.0x
Teledyne Technologies Incorporated	$29,816	$6,374	$2,763	$1,592	4.7x	18.7x	18.1x	16.8x
Watts Water Technologies, Inc.	$11,584	$2,677	$1,308	$581	4.3x	19.9x	18.1x	16.6x
Xylem Inc.	$25,540	$9,126	$3,581	$1,978	2.8x	12.9x	12.0x	11.1x
	Industrial Technology Median				**4.1x**	**18.9x**	**17.1x**	**14.8x**

PUBLIC COMPARABLE COMPANIES (CONTINUED) [5]

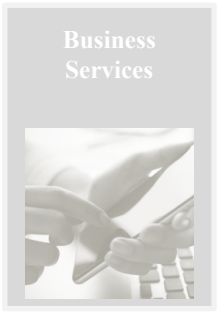
	Latest Twelve Months			TEV / LTM		TEV / EBITDA	
($ in millions)	TEV	Revenue	Gross Profit	EBITDA	Revenue	EBITDA	2026P	2027P
Plastics & Packaging								
Amcor plc	$32,305	$23,506	$4,690	$3,536	1.4x	9.1x	8.7x	8.3x
AptarGroup, Inc.	$8,920	$3,933	$1,419	$798	2.3x	11.2x	10.8x	9.9x
Avery Dennison Corporation	$16,345	$9,248	$2,680	$1,497	1.8x	10.9x	10.7x	10.2x
Ball Corporation	$21,571	$14,326	$2,669	$2,076	1.5x	10.4x	10.0x	9.5x
Cascades Inc.	$2,669	$3,436	$1,204	$386	0.8x	6.9x	6.5x	5.6x
CCL Industries Inc.	$12,526	$5,711	$1,703	$1,151	2.2x	10.9x	10.3x	10.0x
Crown Holdings, Inc.	$17,238	$13,256	$2,778	$2,115	1.3x	8.2x	8.1x	7.9x
Graphic Packaging Holding Company	$8,175	$8,637	$1,338	$1,143	0.9x	7.2x	7.7x	6.9x
Greif, Inc.	$5,072	$4,303	$969	$580	1.2x	8.7x	7.9x	7.5x
International Paper Company	$26,057	$24,203	$7,166	$3,934	1.1x	6.6x	8.1x	5.8x
Myers Industries, Inc.	$1,432	$845	$295	$143	1.7x	10.0x	10.0x	9.7x
O-I Glass, Inc.	$5,671	$6,360	$943	$914	0.9x	6.2x	5.5x	4.8x
Packaging Corporation of America	$23,611	$9,535	$2,039	$2,000	2.5x	11.8x	11.3x	9.6x
Ranpak Holdings Corp.	$715	$418	$140	$67	1.7x	10.7x	8.5x	7.5x
Silgan Holdings Inc.	$8,155	$6,682	$1,141	$978	1.2x	8.3x	8.1x	7.8x
Sonoco Products Company	$9,129	$7,461	$1,551	$1,250	1.2x	7.3x	7.1x	6.6x
TriMas Corporation	$540	$664	$141	$69	0.8x	7.8x	4.8x	4.2x
Winpak Ltd.	$1,478	$1,142	$349	$235	1.3x	6.3x	6.2x	5.9x
			Plastics & Packaging Median		**1.3x**	**8.5x**	**8.1x**	**7.7x**
Specialty Chemicals & Materials								
Akzo Nobel N.V.	$14,826	$11,542	$4,650	$1,246	1.3x	11.9x	9.0x	8.4x
Albemarle Corporation	$15,221	$5,908	$1,416	$1,482	2.6x	10.3x	5.6x	5.3x
Ashland Inc.	$4,044	$1,842	$615	$364	2.2x	11.1x	10.2x	9.2x
Avient Corporation	$5,155	$3,332	$1,099	$587	1.5x	8.8x	8.7x	8.2x
Axalta Coating Systems Ltd.	$9,364	$5,150	$1,753	$991	1.8x	9.4x	8.1x	7.7x
Cabot Corporation	$5,140	$3,634	$880	$736	1.4x	7.0x	7.0x	6.4x
DuPont de Nemours, Inc.	$19,092	$6,988	$2,455	$1,583	2.7x	12.1x	10.8x	10.2x
Eastman Chemical Company	$12,265	$8,865	$1,743	$1,393	1.4x	8.8x	7.7x	7.4x
Evonik Industries AG	$15,105	$16,462	$4,117	$1,998	0.9x	7.6x	6.1x	6.6x
H.B. Fuller Company	$4,753	$3,554	$1,162	$610	1.3x	7.8x	7.2x	6.6x
Huntsman Corporation	$3,451	$5,898	$796	$281	0.6x	12.3x	8.9x	7.7x
PPG Industries, Inc.	$28,545	$16,421	$6,766	$2,698	1.7x	10.6x	10.0x	9.3x
Quaker Chemical Corporation	$3,436	$1,975	$712	$287	1.7x	12.0x	10.8x	9.8x
RPM International Inc.	$14,783	$7,863	$3,258	$1,197	1.9x	12.4x	11.6x	10.5x
The Sherwin-Williams Company	$90,610	$24,410	$11,957	$4,709	3.7x	19.2x	18.5x	17.1x
Westlake Corporation	$11,681	$11,294	$1,154	$1,125	1.0x	10.4x	6.3x	6.2x
			Specialty Chemicals & Materials Median		**1.6x**	**10.5x**	**8.8x**	**8.0x**
			TOTAL INDUSTRY MEDIAN		**1.8x**	**11.8x**	**10.6x**	**9.6x**

About Shields & Company

Founded in 1991, Shields & Company, Inc. is a leading, independent, middle-market investment bank located in the Boston area providing corporate finance advisory services to privately-owned and closely-held businesses in North America. While our services include a full range of corporate finance advisory services, our focus is on sell-side merger and acquisition advisory and valuation services. Our M&A practice focuses on six key industries (Business Services; Consumer, Food, & Beverage; Healthcare & Human Services; Industrial Products & Services; Niche Manufacturing; and Specialty Distribution) and our typical client generates $5–30 million of EBITDA.

The Shields & Company team utilizes its deep experience and knowledge to provide creative, thorough, and professional financial advice. We are committed to providing senior-level attention and objective financial advice for our clients. We embrace a philosophy where our clients' goals come first and, as a result, we design and execute tailored sale processes that maximize shareholder outcomes and exceed client expectations.

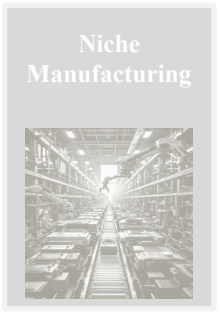
INDUSTRIES

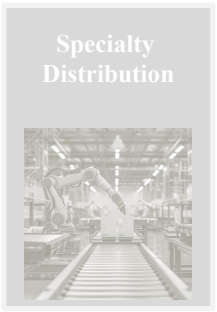












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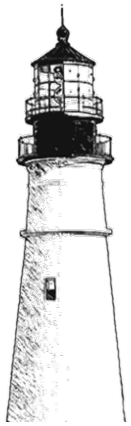
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Sources

Sources: S&P Capital IQ data as of September 30, 2026, and Shields & Company.

Footnotes and Defined Terms

(1) Peer group returns calculated based on equal-weighted indices, indexed to 100.

(2) Metrics are peer group medians.

(3) Significant increase in TEV/EBITDA multiple in January 2024 due to General Electric's financial reporting adjustments in S&P Capital IQ.

(4) Honeywell Aerospace Inc. replaced Honeywell International Inc. in the Aerospace & Defense peer group after spinoff on 6/29/2026.

(5) NA – Not Available, NM – Not Meaningful (multiples < 0.0x and multiples > 50.0x).